

FASHION
Pages 11-15
A SPECIAL
REPORT

Herald Tribune

INTERNATIONAL

TODAY
Latin America Page 8
MONEY

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Mrs. Albright welcoming Foreign Ministers Bronislaw Geremek of Poland and Janos Martonyi of Hungary, left, at the NATO ceremony Friday.

NATO Moves Eastward

3 Members Added From Former Soviet Bloc

By Joseph Fitchett
International Herald Tribune

PARIS — The North Atlantic Treaty Organization enrolled three countries — Poland, Hungary and the Czech Republic — at a treaty-signing on Friday that moved the alliance eastward into territory controlled by Moscow during the Cold War, and it thereby extended U.S. security guarantees to Central Europe.

Their adhesion to the alliance marked the welcoming of these three former Soviet satellites into the fold of Western democracies, after having been cut off from the rest of Europe for three generations by Nazi occupation and then by Soviet suppression.

With a graphic power exceeded perhaps only by German reunification, the expansion laid out the political and military dimensions of the West's victory in the Cold War.

Secretary of State Madeleine Albright exclaimed "Hallelujah!" as she accepted admission papers from the countries' foreign ministers at a ceremony in Independence, Missouri, where NATO was founded 50 years ago during the presidency of Harry Truman.

"Never again will your fates be tossed around like poker chips on a bargaining table," she said.

In all three new member states, leaders expressed gratification in strong, often emotional phrases echoing a statement by President Alexander Kwasniewski of Poland that the adhesion was "the most important moment" in his country's modern history.

The enlargement of NATO from 16 to 19 member nations, accompanied by its expanding role in security cooperation with all the European nations and with Russia, "signals the final over-coming of the division of Europe," Secretary-General Javier Solana Madariaga said.

Other officials pointed out that the expansion also underscored NATO's record as the international organization that has adapted most successfully to the end of the superpower struggle and the dawning of a post-Cold War era.

Even the tensions in Kosovo, threatening to test the credibility that NATO earned in Bosnia, did not appear to affect the celebratory atmosphere accompanying the signing ceremonies.

The three new members were admitted in time for them to participate in

a Washington summit meeting in six weeks to celebrate NATO's 50th anniversary.

Fulton, Missouri, near Independence, was the venue for Winston Churchill's historic speech in 1946, three years before NATO's formation, in which he warned that Europe had been split by an "iron curtain."

He called on the West to resist Soviet communism.

The formal expansion on Friday enlarged the zone of direct Western political values.

Russia, still opposed to NATO expansion, criticized the move in a Foreign Ministry statement, saying that the alliance's "enlargement could lead to the appearance of new dividing lines."

This is a viewpoint now generally taken to imply that Moscow might seek to tighten its own military ties to Belarus and other neighbors if NATO proceeded with a further round of enlargement, notably to the three Baltic states, Latvia, Lithuania and Estonia.

Mikhail Gorbachev, the former So-

See NATO, Page 4

The Dollar		
New York	Friday 9:45 P.M.	previous close
Euro	1.0915	1.1032
Pound	1.6325	1.6364
Yen	118.7	119.245
DIM	1.7919	1.773
FF	6.0097	5.9463

Dollars per pound and per euro.

The Dow		
↓	Friday close	percent change
-21.09	9,876.35	-0.21%
↓	S&P 500	
-3.09	1,284.59	-0.24%
↓	Nasdaq	
-30.70	2,381.55	-1.27%

For 1998 as a whole, the economy contracted by 2.8 percent, the first annual decline in a quarter century.

Some economists said the announcement dashed hopes that Japan may be beginning to recover from its long

Japan's Economic Frustration

'Very Serious Decline' in 4th Quarter Surprises Analysts

By Sheryl WuDunn
New York Times Service

TOKYO — The government said Friday that the Japanese economy was still shrinking in the fourth quarter of last year, at an annual rate of 3.2 percent, despite the government's efforts to spend its way out of the deepest slump since World War II.

For 1998 as a whole, the economy contracted by 2.8 percent, the first annual decline in a quarter century.

Some economists said the announcement dashed hopes that Japan may be beginning to recover from its long

downturn, but others noted that the figures referred to the September-to-December period, and were, therefore, a lagging indicator.

The bad news is the last thing Japan needs these days, for it is trying to lift confidence at home and abroad and entice investors back to the financial markets and shoppers back to stores.

These kinds of gloomy announcements, particularly after officials have been making hopeful comments, tend to erode public sentiment, and undermine the credibility of Japanese officials.

See JAPAN, Page 4

Yehudi Menuhin, Violin Virtuoso, Dies

Humanitarian and Conductor Brought Music to Millions

By Allan Kozinn
New York Times Service

Yehudi Menuhin, the legendary violinist who came to prominence in his childhood and later became a respected conductor, a dedicated organizer of festivals and schools and an idealistic supporter of hundreds of charities, died Friday in Berlin. The cause of death was heart failure, his German concert promoter said. He was 82.

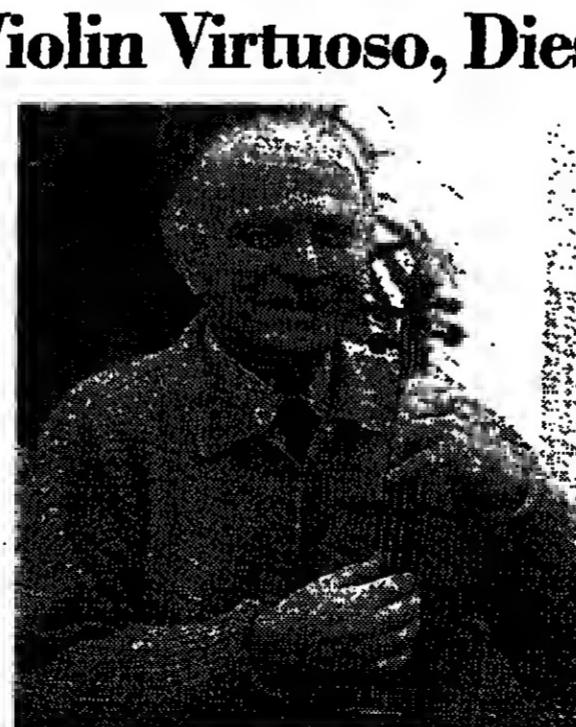
When Mr. Menuhin was at his best, his playing had a grandeur and personal intensity that made his sound instantly recognizable, both in the concert hall and on disk. He recorded prolifically, beginning in 1928 when he was 12 (one of his first important projects was a rendition of Elgar's Violin Concerto, under the composer's direction) and continuing until he was into his 70s. Even after he stopped playing the violin publicly, he continued to perform and make recordings as a conductor.

Though an American by birth, Mr. Menuhin had lived in Europe for most of his life. In 1985, Mr. Menuhin became a British subject. At the time of his death, he had been living in London, though he traveled frequently.

Mr. Menuhin was on the road so much that his wife, Diana, once described him as "a commercial traveler with a line in violin music."

Politics and visions of a utopian future often seemed to be as much on Mr. Menuhin's mind as music-making. A devotee of yoga who advocated vegetarianism, he regularly warned against white rice and white bread, refined sugar and red meat. He spoke about the dangers of pollution, championed inventions of all sorts, including electric cars and electronic musical education systems, and put forward his own notions of city planning.

Mr. Menuhin played numerous benefits for Israel and its charities. But after its 1967 war, he also played concerts to benefit Arab refugees. He loaned his name to hundreds of cultural and charitable organizations, including Friends of



Mr. Menuhin's playing had grandeur and intensity.

Animals and the Good Gardeners' Association in England and the Catgut Acoustical Society and the Grenville Clark Institute for World Law in the United States.

Musically, too, his interests ranged widely. He performed and recorded most of the standard classical repertoire, including contemporary works, and he gave the premieres of Bartók's Unaccompanied Sonata, Bloch's Suites 1 and 2, Walton's Violin Sonatas and pieces by Georges Enesco, Vaughan Williams, Lennox Berkeley and Paul Ben-Haim.

Mr. Menuhin discovered Mendelssohn's "other" violin

See MENUHIN, Page 6

By John M. Broder
New York Times Service

ANTIGUA, Guatemala — President Bill Clinton has vigorously denied that his administration had minimized evidence of nuclear spying by China. He defended his policy of engagement with Beijing as the only effective means of restraining Chinese behavior.

Mr. Clinton said Thursday that he was under no illusions about covert efforts by China to acquire American nuclear weapons technology.

He said that when he received persuasive evidence that highly classified data about U.S. nuclear weapons design had been leaked from the Department of Energy's Los Alamos National Laboratory, he acted aggressively to contain the damage and prevent further incidents.

We did not ignore evidence. Quite the contrary, we acted on it," the president said at a news conference after a summit meeting with Central American leaders. "I believe the record is clear that we did respond in an appropriate way."

Mr. Clinton's comments Thursday were his first public statements since reports emerged over the weekend that a Chinese-American scientist at Los Alamos might have been providing information in the 1980s that enabled China to develop a miniaturized nuclear warhead similar to the most sophisticated weapons in the U.S. arsenal.

Congress has opened an investigation into the case, including allegations that the administration sought to play down the severity of the suspected espionage and delay the investigation so as not to jeopardize its policy of reconciliation with Beijing.

On Capitol Hill on Thursday, Republicans toned down their fiery criticism of the administration's handling of the Los Alamos spy case, perhaps sensing that undue hysteria was creeping into their response.

The House speaker, Dennis Hastert, echoed Mr. Clinton's call to remain engaged with Beijing. "The more we're involved with China, the better off we

See TECHNOLOGY, Page 4

AGENDA

Censure Urged for Senior IOC Officials

International Olympic Committee investigators on Friday recommended severe censure for the highest-ranking member implicated in a corruption scandal and a high-profile delegate from the next Olympic host country, the IOC said.

Phil Coles, a longtime IOC member

Books Page 21
Crossword Page 6
Opinion Page 10
Sports Pages 24-25

The Intermarket Pages 5, 24

The IHT on-line www.iht.com

from Australia, and Kim Un Yng, an executive board member from South Korea and a powerful leader of international sports, were told that they would be kicked out of the IOC if "similar facts ever occur again."

A special IOC assembly on the scandal opens Wednesday. Page 24.

Vote for East Timor?

The rebel leader Xanana Gusmao welcomed an agreement between Indonesia and Portugal to back a UN-sponsored ballot on autonomy in East Timor. But others warned that a vote would spark bloodshed. Page 6.

Newsstand Prices	
Bahrain	1.00 BD
Cyprus	C 2.00
Denmark	DK 1.00
Finland	1.20 FM
Gibraltar	£ 0.85
Great Britain	£ 2.00
Egypt	£E 5.50
S. Africa	R 16 inc VAT
Jordan	1.25 JD
Kenya	K Sh. 160
Kuwait	700 Fils
Malta	55 c
Nigeria	1250 Naira
Oran	1.250 OR
U.S.A.	\$ 1.20
Zimbabwe	Zm \$40.00

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Kosovo Guerrillas Hint They Will Sign Accord

The Associated Press

PRISTINA, Yugoslavia — The ethnic Albanian guerrilla movement in Kosovo suggested Friday that it would accept a U.S.-sponsored peace plan for the war-torn Serbian province.

The guerrillas' backing would turn up the heat on Serbia to sign, too, or face retaliatory NATO air strikes.

As Foreign Minister Igor Ivanov of Russia met in Belgrade with President Slobodan Milosevic of Yugoslavia, ahead of new peace talks on Monday, a statement issued by the Kosovo Liberation Army said the plan "was not the solution that we would want the most. But it does not close all doors to future roads."

In another indication that the guerrilla leadership was leaning toward accepting the deal being pushed on them, the state-

ment said: "The future of Kosovo depends mostly on the Albanians themselves and their cooperation with the international community."

The statement was issued after a reported meeting of top guerrilla leaders in the hills west of Pristina.

The state radio in neighboring Albania quoted unidentified sources as saying that the KLA commander, Hashim Thaci, the chief Albanian delegate to the talks scheduled for Monday, had urged "all political forces" to accept the plan.

Ibrahim Rugova, an ethnic Albanian leader who favors negotiations over armed struggle to win independence, suggested that the plan would be signed at the talks in Paris, although he did not specifically say the KLA had agreed to sign it.

"The document is final, and we'll go to Paris to sign because there is no more time to negotiate," he said in Pristina.

If the Kosovo Albanians accept the agreement at the Paris talks, pressure will be focused on the Serbs to sign, too. Mr. Milosevic and other Serbian leaders have rejected the plan because it foresees NATO-led troops to implement it. But the alliance has warned that unilateral rejection by the Yugoslav and Serb side might trigger air strikes against strategic targets.

Although Kosovo's population is overwhelmingly Albanian, it is a province of Serbia, the dominant of Yugoslavia's remaining two republics. More than a year of fighting between government forces and Kosovo rebels has left more than 2,000 dead and hundreds of thousands uprooted.

Meanwhile, Serbian authorities have issued arrest warrants against rebel Kosovo Liberation Army representatives in the ethnic Albanian negotiating team, accusing them of terrorism.

Asked whether the head of the team, Mr. Thaci, and other rebel leaders would be arrested if detected by the Serbian police on their way to the airport or while waiting to board a plane, Alexander Vuicic, the information minister, hinted that could happen.

"If there is an arrest warrant out for someone, you know what is done in those cases," he said.

Last month, when rebel leaders were leaving for the first round of peace talks in France, the Serb authorities stalled their departure over travel documents. The arrest warrants were issued in between the two stages of the peace conference.

Fighting no Friday centered on Vucitrn, about 20 kilometers (12 miles) northwest of Pristina, with police units and army troops pushing down from the north in an attempt to dislodge guerrillas from the area of three villages.

AP Television News crews at the scene reported heavy mortar, artillery and small-arms fire.

Kosovar Newspaper Is Fined

An ethnic Albanian daily newspaper, Kosova Sot, has been fined \$80,000 for alleged support of the rebel Kosovo Liberation Army, the government information minister said Friday.

In a statement, Mr. Clinton said he was pleased with the House vote, which he said "sends a clear message to both parties that it's time now to sign an agreement that stops the fighting in Kosovo and creates real self-government for the Kosovar people."

The president added, "The vote confirms the strong commitment of the United States to continue our efforts to provide the leadership necessary to bring about a peaceful resolution to this conflict."

Before the vote, the majority leader, Richard Arayne, Republican of Texas, called the proposed troop deployment "poorly considered and unlikely to achieve our desired ends."

The majority whip, Tom DeLay, Republican of Texas, said, "America needs to quickly change directions and leave behind this chilling comedy of errors that has defined our foreign policy."

The comments seemed extraordinary given the usual congressional deference to the president when he is not of the country — Mr. Clinton was visiting Central America at the time — and highlighted the escalating fissures within the administration's foreign policy.



NUCLEAR EXPERT AT WORK — Vyacheslav Dyldin cutting firewood Friday in a camp at the Chernobyl power plant in Ukraine. Angry over salary delays, employees vow to halt all output March 22.

Very Narrowly, House Accepts Use of Troops

By Juliet Eilperin
and William Claiborne
Washington Post Service

WASHINGTON — The House has narrowly approved the Clinton administration's plan to send U.S. troops to the embattled Serbian province of Kosovo by a vote of 219 to 191, but only after engaging in a rancorous debate that president said could jeopardize peace efforts in the region.

Although Republicans criticized the administration's foreign policy, lawmakers voted, 237 to 178, to reject an amendment that would have declared President Bill Clinton "not authorized to deploy ground elements of the United States Armed Forces to Kosovo" as part of any potential peace accord between President Slobodan Milosevic of Yugoslavia and ethnic Albanian rebels in Kosovo.

Instead, lawmakers adopted an amendment late Thursday requiring Mr. Clinton to report in detail on the Kosovo operation before sending the proposed 20,000 troops.

The report will be expected to outline U.S. interest is at stake in the region, how much the deployment would cost and how it would affect U.S. military readiness.

The attack on Mr. Clinton's foreign policy and the daylong deliberations on a no-banning resolution concerning the possible deployment came as administration envoys continued their as-yet-unsuccessful efforts to use a U.S. commitment to send peacekeeping troops as leverage to persuade the two warring sides to come to agreement.

While the outcome was a victory for Mr. Clinton, the final vote was extremely close, only one vote more than the House majority of 218.

Nine members voted present, and 15 did not vote. While 44 Republicans supported Mr. Clinton, 17 Democrats voted against sending troops.

In a statement, Mr. Clinton said he was pleased with the House vote, which he said "sends a clear message to both parties that it's time now to sign an agreement that stops the fighting in Kosovo and creates real self-government for the Kosovar people."

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Israeli Upstart Stakes Out the Middle

Center Party Defines Itself as Corrective to Nation's Harmful Divisions

By Deborah Sontag
New York Times Service

TEL AVIV — At the gala inauguration of the Center Party, before the balloons dropped from the rafters and the official party jingle debuted, Miriam Yaakov, a businessman, presented his political credentials to a reporter.

"Listen," Mr. Yaakov said, waving his Turkish cigarette in emphasis, "I am what you would call a classic Likudnik. I was born in Morocco. I immigrated here at the age of 5. I went through all the melting pot. And the last time around, I was Likut Party all the way, rah, rah Bibi Netanyahu."

"But core I represent the people who are very disappointed with the leadership of Benjamin Netanyahu. And people like me, we believe it's time for an authentic candidate, someone like Yitzhak Mordechai, who made his career despite all the hardships of prejudice and poverty."

With the Iraqi-born Mr. Mordechai at its head, the new Center Party is banking on all the Miriam Yaakovs of this country to prove that it is out just a quixotic venture. Barely hatched, it has taken on an ambitious task. By election day on May 17, it seeks to break the traditional Israeli voting allegiance to the two major parties, Labor and Likud.

Judging from the crowd at the Cinema Theater Wednesday night, the Center Party is most readily siphoning votes from the Likud's core constituency of Sephardim — Jews from North Africa and the Middle East. Many participants proclaimed themselves both fed up with Mr. Netanyahu in January,

home!" they chanted — and thrilled with the banner-breaking candidacy of Mr. Mordechai, a former defense minister and the first Sephardic immigrant to run for the top office in the country.

"Yitzhak Mordechai pulled himself up to a position of power," Mr. Yaakov said, "and it would be a very powerful lessoo to this country if he could be elected—not appointed, and not given a favor."

But the party needs tens of thousands of Labor supporters, too, if it is to conquer its chief强项。Early polls show that Mr. Mordechai would be the sure victor over Mr. Netanyahu in a runoff election, which would be held June 1 if no candidate wins a majority May 17.

But the same polls indicate that Mr. Mordechai is unlikely to get past the first round of voting; he trails the incumbent and the Labor Party candidate, Ehud Barak.

Taking the stage amid whistles and cheers from thousands of supporters, Mr. Mordechai spoke passionately and in a hoarse voice about the need for unity. Yet at the same, he took swipes not only at Mr. Netanyahu but, for the first time, at Mr. Barak, too.

"He is incapable of helping the social ills, like I can," Mr. Mordechai said of Mr. Barak. "He cannot unite left and right; he is inept at talking to religious people; he cannot understand either the Sephardic mentality or that of Arab leaders."

In the tradition of breakaway political parties, the Center Party began with a group of defectors. They are Mr. Mordechai, who was dismissed as defense minister by Mr. Netanyahu in January;

Ammar Lipkin-Shahak, a former army chief of staff; Dan Meridor, a former finance minister under Mr. Netanyahu, and Roni Milo, a former mayor of Tel Aviv.

Three of the four came from the conservative Likud; Mr. Lipkin-Shahak, who is liberal, had no party affiliation when he resigned from the army this winter.

A disparate group, the leaders were brought together by their desire to oust Mr. Netanyahu. Israel, they say, must be rescued from a political stalemate between right and left that aggravates dangerous divisions in the country — between doves and hawks, religious and secular, immigrants and native-born Israelis.

"These conflicts are very bitter, and neither Likud nor Labor can bridge them," Mr. Shahak said in an interview. "Each of them represents half the people in Israel, and each of them are totally unable to represent the other half. We feel that we are an emergency measure. Without us, there will be no change."

From the start, Center Party leaders faced pressure to join forces with Labor, which also seeks to dislodge Mr. Netanyahu. Haim Ramon, a Labor member of Parliament, has renewed the call, saying that together the two parties could beat Mr. Netanyahu in the first round of voting.

Critics of the Center Party have mocked the leaders for what they see as their hubris in daring to create a party overnight. Others have ribbed them for presenting themselves as a unifying force for the nation when they cannot seem to agree on a party platform or a ticket of candidates for Parliament.

TRAVEL UPDATE

Mexico Declares Y2K Readiness

MEXICO CITY (Reuters) — Mexico expects to inoculate all its computer systems against the millennium bug by June, the government's Y2K coordinator said.

"We see it more as a comparative and competitive advantage," Carlos Jarque said, "than a contingency."

A U.S. Senate report released March 2 said Mexico, Japan, China, Germany and Taiwan had fallen behind schedule. But Mr. Jarque said that, after two years of work, Mexico was positioned to confront any problems.

US Airways got the runway slots at Gatwick Airport in London that will allow it to start a service from Charlotte, North Carolina, the airline said Friday. The route was approved more than a year ago, but US Airways said it could not get acceptable takeoff and landing times. Last year the dispute over slots for U.S. airlines threatened to hold up talks between the United States and England aimed at creating an open market for transatlantic services. (Reuters)

Obsolete computers at air-traffic control centers in the United States are being replaced. The Federal Aviation Administration installed a new mainframe in Ronkonkoma, New York, which handles 2 million flights a year, replacing a computer that failed twice in 1996 and delayed hundreds of flights. It will change the computers at all 20 of its high-altitude, long-distance control centers this year. (NTT)

Vaccine Resisters Trouble Pentagon

29 Sailors Punished for Refusing 6-Shot Inoculation Against Anthrax

By Paul Richter
Los Angeles Times Service

WASHINGTON — Twenty-nine sailors aboard the aircraft carrier Theodore Roosevelt have been punished for refusing to accept anthrax vaccine shots in the latest sign of resistance in the ranks to what Pentagon officials maintain is an important preventive measure.

The navy said Thursday that the 29 on the nuclear carrier, based in Norfolk, Virginia, had been demoted, fined, jailed for up to 45 days or given extra duty for refusing to undergo the mandatory round of six injections to protect them from the deadly biological warfare agent.

Defense officials insist this number is small, compared with the 218,000 troops who have consented to take the injections. Yet, as rumors

about the alleged dangers of the vaccines swirl on the Internet, the resistance has become increasingly troublesome for military officials.

Defense Secretary William Cohen, on a trip to the Gulf this week, defended the program to the troops by pointing in U.S. intelligence that President Saddam Hussein of Iraq was at work on germ weapons he could use against them.

Anthrax is a disease that normally preys on livestock, but it can be used as a biological warfare agent capable of killing thousands of soldiers or civilians. Officials say the vaccine has been in use since 1970.

Of the 38 troops who have had reactions, only one had a serious reaction. A sailor suffered temporary paralysis after receiving a shot. Most other reactions have been limited to swelling or redness on the arm or brief flu-like symptoms.

But some troops have been skeptical, in part because of their memories of other widespread maladies blamed on an uncaring military.

Officials said those who refuse to take the shots will be discharged from the military.

WEATHER

Forecast for Sunday through Tuesday, as provided by AccuWeather.

Europe		North America		Asia	
Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday
High Low	Wind Dir.	High Low	Wind Dir.	High Low	Wind Dir.
Alps 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Amsterdam 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Barcelona 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Berlin 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Bucharest 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Budapest 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Brussels 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Copenhagen 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Dublin 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Dresden 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Frankfurt 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Glasgow 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Helsinki 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Istanbul 1045 948	E CPT	1045 948	E CPT	1045 948	E CPT
Kiev 1045 948	E CPT	1045 948	E CPT	1045 94	

Starr Suggests Prosecution of His Spokesman Over Leaks

By Roberto Suro
Washington Post Service

WASHINGTON Kenneth Starr, the independent counsel, has asked the Justice Department to consider criminal charges against his spokesman for allegedly leaking a report damaging to President Bill Clinton and then lying about it to investigators, officials said.

The spokesman, Charles Bakaly 3d, abruptly resigned Thursday, and his attorney said in a statement that Mr. Bakaly would cooperate with the Justice Department inquiry "in every way." Mr. Bakaly maintains his innocence, officials said.

The Justice Department announced Thursday night that it had not received the investigative materials that formed the basis for the referral from Mr. Starr and that no decisions had been reached as to how to proceed.

The potential criminal investigation of a top member of Mr. Starr's staff comes as Mr. Starr himself is battling the Justice Department over how it will conduct a separate disciplinary inquiry into the independent counsel's alleged misconduct in the investigation that led to Mr. Clinton's impeachment.

The already tense dealings between Mr. Starr and the department reached a new level of rhetoric Thursday as Deputy Attorney General Eric Holder Jr. angrily dismissed as "crap" accusations by one of Mr. Starr's former deputies that the disciplinary action against Mr. Starr was designed to disrupt Mr. Starr's investigation of Mr. Clinton.

The investigation of Mr. Bakaly stems from a Jan. 31 New York Times report that Mr. Starr had concluded that he had the constitutional authority to seek a criminal indictment against Mr. Clinton while the president was still in office. The article cited "several associates of Mr. Starr" as sources for the information.

The article was published at the height of Mr. Clinton's impeachment trial, just two weeks before the Senate acquitted him. Although the Times did not say whether such a move was being actively contemplated by Mr. Starr's office in expectation of Mr. Clinton's acquittal, leading politicians of both parties chose to interpret the report as a signal of Mr. Starr's intentions.

Mr. Clinton's private attorney, David Kendall, immediately demanded a new leak investigation, and congressional Democrats charged that it was an attempt to influence votes in the Senate trial by someone in Mr. Starr's office. Mr. Starr, who has repeatedly denied that his office is the source of unauthorized leaks, said he was "deeply troubled" by the report and immediately launched an internal investigation.

Before the Times article was published, Mr. Starr was already under scrutiny by a District Court judge, Norma Holloway Johnson, for possible violations of the federal rules prohibiting prosecutors from disclosing information related to grand jury investigations.

Mr. Clinton's attorneys and political allies have repeatedly accused Mr. Starr's office of leaking information to the news media during the course of the Monica Lewinsky investigation.

After the report appeared, John Kern 3d, the senior judge appointed by Judge Johnson to conduct the leak inquiry, also began looking into the Times account.

Mr. Starr's simultaneous internal investigation produced material potentially contradicting Mr. Bakaly's sworn testimony to Mr. Kern, the officials said. The independent counsel informed the Justice Department of his conclusions Thursday afternoon.

The entire proceeding regarding Mr. Kern remains under seal.

"When we receive the information we will determine how best to proceed," said Myron Marlin, a department spokesman. Department officials said there is still the possibility that they will find that the information from Mr. Starr does not support any further action.

In a statement, Mr. Bakaly's attorney, Howard Shapiro, said it was part of Mr. Bakaly's job "to respond to media inquiries" about the work of Mr. Starr's office. Given Mr. Bakaly's regular contact with reporters, Mr. Shapiro said, it is not surprising that he had been interviewed as part of an inquiry into whether improper disclosures of information were made.

Mr. Shapiro concluded, "We are confident that he will be found not to have violated any statute, regulation or court order."

Mr. Shapiro is a former general counsel of the FBI and has close connections to a variety of officials in the federal law enforcement establishment. He also represented Terry Lenzner, a private investigator, before Mr. Starr's grand jury.

In a statement, Mr. Starr said he had accepted Mr. Bakaly's resignation "with regret." Mr. Bakaly is being put on paid administrative leave until June 1.

Politics Tilts Toward Women

'Feminization' Is No Longer Just for Democrats

By Thomas B. Edsall
Washington Post Service

WASHINGTON — Elizabeth Dole, soccer moms, George Bush and compassionate conservatism, the Family Medical Leave Act and the assault weapons ban — each is part of the "feminization of politics," a trend that has begun to shape the 2000 race for president.

As more women have entered the workforce and developed their own political agenda, politicians have given increasing priority to issues women identify as important and a more personal campaign style to attract the support of female voters, who make up 51 percent of the electorate.

Democrats in recent years have capitalized on the phenomenon. President Bill Clinton designed his 1996 strategy to take advantage of it, and won decisively. Republicans, in contrast, are divided. Ronald Reagan and George Bush implicitly defied the feminization of politics and won every presidential election in the 1980s with a majority male constituency — a strategy that carried House and Senate Republicans to striking success in 1994.

But now, in the face of the 1996 and 1998 Republican setbacks and an impeachment drive that alienated legions of men and even more women, the Republican Party is split between those who would come to terms with the feminization of politics and those who would reaffirm the party's tradition of tough stands on defense spending and hard-line commitment to deregulated markets.

While the feminization of politics has produced a practical change in the way politics is

conducted, it also is an evolving concept that is viewed differently by different groups.

The feminization of politics translates, according to those allied with Mr. Clinton, into policies that protect the poor, that attempt to ease conflicts between family and work and that provide safety-net supports for those facing economic hardships.

"The idea of a safety net comes up over and over," said Kim Gandy, vice president of the National Organization for Women.

The resulting legislation includes not only the Family Medical Leave Act and "Megan's Law," which warns families of the release of sex offenders, but also pro-women laws such as sexual harassment prohibitions, the Violence Against Women Act and the criminalization of non-support by deadbeat dads.

The dominance of the national agenda by such issues as Social Security, Medicare and education gives further strength to the feminization process. All these issues are given higher priorities by women than men, in contrast to an agenda of tax cuts, defense spending and throw-away-the-key anti-crime policies favored more by men.

From the early 1980s to the middle of this decade, the feminization of politics was a concept used largely by conservative Republicans to describe what they saw as the softening and weakening of the Democratic Party. Harvey Mansfield, a political scientist at Harvard, said feminization has produced "a politics that doesn't call for sacrifice or that doesn't try to use necessity to prompt virtue — a politics of the softer liberal virtues, not of the harder courageous ones."

In 1996, Irving Kristol wrote in the Wall Street Journal that the feminization of the Democratic Party had produced a national convention "bathed in a pre-political pathos." He added: "The message was: If terrible things happen to innocent people, government — and only the federal government at that — is morally obliged to come to their rescue."

The gender-based division of the two parties prompted new ways of looking at partisanship.

Christopher Matthews, a columnist for the San Francisco Examiner, has written that the Democratic and Republican parties have become, respectively, the "Mommy" and "Daddy" parties. Don Sipple, a Republican consultant, has described the Republicans as the party of "discipline" and Democrats as the "therapy" party.

George Lakoff, a linguist at the University of California at Berkeley, contends that the culture war pits a "strict father" conservatism versus a "nurturant parent" liberalism.

The partisan split over Mr. Clinton's impeachment fits these theories, with the Republicans adopting a "strict father" disciplinary approach, and the Democrats adopting a tolerant, "nurturant" parent role, more therapeutic than disciplinary.

Since the 1980 election, a majority of those who say they are Republicans are men and a majority of those who say they are Democrats are women. This partisan division by sex reflects different attitudes of men and women toward government, foreign intervention, risk, gun control and a number of other issues, and on which party best addresses their views.

Separate studies of attitudes toward risk by the Harvard Center for Risk Analysis and the journal Risk Analysis demonstrate, according to the journal, that "men tend to judge risks as smaller and less problematic than do women."

This difference is a significant factor in forming attitudes on specific issues. Polls consistently show that men are more supportive of military spending and military interventions in places such as the Persian Gulf and the Balkans than women. Surveys also showed that men favor cutting the size of the federal government while women favor expanding government programs. And on crime issues, men are willing to make it easier for those without criminal records to get a concealed weapon permit, while women are adamantly opposed.

Francis Fukuyama, a conservative professor of public policy at George Mason University, said that "a world run by women would follow different rules, it would appear, and it is toward that sort of world that all post-industrial or Western societies are moving."



Dr. Jack Kevorkian will not be facing charges of assisted suicide over the video but murder charges against him will remain.

Away From Politics

• The Air Force's bomber fleet, which includes B-52s that have been flying since before the Vietnam War, will have to last another 40 years. The Air Force is investing \$3.6 billion to upgrade the fleet but does not intend to begin planning for a next-generation bomber until 2013. (AP)

• It took 70 shells from a navy destroyer, explosive charges and finally, a torpedo to sink the New Carissa. Its saga began last month, when the 639-foot freighter, laden with 400,000 gallons of fuel oil, ran aground off Coos Bay in Oregon, spilling 70,000 gallons. (AP)

• A GE satellite spun out of control, briefly causing widespread disruption of ser-

vices to news organizations — including Dow Jones, CNN, the Fox Network and The Associated Press — before engineers in Princeton, New Jersey, were able to restore communications. (AP)

• A former Mouseketeer on the "Mickey Mouse Club" TV show, Darlene Fraschilla, was sentenced in Los Angeles to two years in federal prison for using phony or bounced checks to buy investments and lying about it to the Securities and Exchange Commission. (AP)

• A mother who gets around in a wheelchair with her 5-year-old daughter strapped to her lap was found innocent in Sandusky, Ohio, of endangering the child by sometimes

traveling amid auto traffic on city streets. (AP)

• Abused spouses can be justified in killing their mates even if they fail to leave home to avoid the violence, the Florida Supreme Court said, reversing a ruling it made 17 years ago. (AP)



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Poles Welcome 'Important Psychological Guarantee' in NATO Linkup

By Steven Erlanger
New York Times Service

WARSAW — In what will hardly be the last adaptation the Polish military will have to make, as honor guard performed an unusual flag-raising ceremony here after dark Friday night to mark the moment that Poland became a member of NATO.

In a simple affair by the Tomb of the Unknown Soldier in Piłsudski Square, timed to the official ceremony in Independence, Missouri, the red-and-white Polish flag went up alongside NATO's blue-and-gold banner, marking the end of a generation of ideological division.

A fireworks exploded over the vast square, Bolesław Siemiatkowski began to cry. Now 75, he was a captain in the Polish Home Army that fought alongside the Allies in World War II, then saw the victorious Soviet army deport his family to Siberia.

"Now we stand a chance as a nation," he said. "We stand a chance not to be taken into captivity,

to be imprisoned or threatened, so we can live in human dignity in a free country that has earned its freedom."

Mr. Siemiatkowski gestured to the Tomb of the Unknown Soldier, where many of Poland's battles for sovereignty are chiseled on plaques.

Sixteen years ago, as Polish soldiers enforced martial law, passers-by would sometimes spit on the tomb. But since the end of the Communist regime, the list of battles has been expanded to include struggles against Moscow, the battles of the Polish Home Army and even the uprising of the Warsaw ghetto in October 1944.

A tall Polish captain, wearing a red beret jauntily, said he felt that Poland's new alliance was "generally positive."

"Any time you get a strong ally it helps," he said. "But after all, it's only the first day."

Wiesław Prokop, carrying his own Polish flag, said he was disappointed that only a few hundred people had come to the freezing square, still marked with the morning's snow. "This should be celebrated more," he said. "I suppose it's the

weather. But anyone who thinks about Poland's future is happy today."

Piotr, a 22-year-old engineering student, said that he had come to the square because the linkup was "an historic event." "No one really fears the Russians now," he said, but NATO is an "important psychological guarantee and it helps us forget the awful period under Russia."

The Polish army could do with some help," he added.

That was an important theme in the Polish press Friday. The daily newspaper *Zycie* ran a long and depressing analysis of poor discipline and drunkenness in the army, which is made up heavily of conscripts.

"People wait to be proud of their army," said Tomasz Wróblewski, who edited the paper's special NATO section. "They're tired of being ashamed of our soldiers, of seeing them drunk and not well-equipped."

Marek Ostrowski of the weekly *Polityka* said that some Poles still mistrust any security guarantee, misunderstanding how the world had

changed since 1939, when British and French guarantees of Polish sovereignty proved hollow.

"Mostly there is satisfaction that we have definitely changed camps," he said. "We were forced to be part of the Soviet camp against our will; then we were sort of liberated, but in this gray zone not belonging to anyone; and now we are somebody raised to this Western camp under American protection. That is the mood."

"We remember that it was you Americans who pulled Europe out of the mire in 1944, not anyone else, so we want NATO to remain strong," he said.

Gazeta Wyborcza, Poland's most influential newspaper, had a typically wry headline: "If today is Friday, then we're in NATO." But the paper also ran a front-page article from President Bill Clinton, in which he praised Polish aid to the American Revolution and Polish courage through the centuries. Now, Mr. Clinton said, "we are not only friends but allies."

The paper also ran an article by Zbigniew

Brzezinski, the former U.S. national security adviser, who was born in Poland. Mr. Brzezinski suggested that the current round of NATO enlargement may be the last for a long while.

All three of new members have urged NATO to keep expanding.

Celebrations in Hungary and the Czech Republic were low-key.

NATO members' flags were raised outside the Hungarian Defense Ministry. In Prague, there was a small rally Friday, and President Václav Havel, who had pushed the Czech Republic into NATO, said, "Never have we been part of such a broad, solid and binding security alliance which at the same time respects in its essence the sovereignty and will of our nation."

Mr. Havel was to host of a celebratory ball in Prague Castle on Saturday, but the only official ceremony Friday was in Liberec, a North Bohemian town. Liberec is the home of the Czech unit that specializes in chemical-weapons defense, the only unit of the Czech Army fully integrated into NATO's rapid-reaction forces so far.

NATO: New Era in Europe

Continued from Page 1

viet leader, said that he felt "betrayed" by NATO's expansion, adding that the West was taking advantage of Russia's weakness and humiliating Russians in ways like the Allies' treatment of defeated Germany after World War I.

Nearly 10 years ago, Mr. Gorbachev accepted demands for freedom in Poland, Hungary, the Czech Republic and other Soviet-bloc states, apparently hoping for the emergence of a neutral bloc of nations on Russia's borders.

Instead, leaders of the newly independent states, such as President Václav Havel in Czechoslovakia, insisted that their countries be admitted to NATO as their first priority — for protection against Russia, both as partners with their fellow Europeans and as beneficiaries of the security guarantees provided via NATO from the United States.

For NATO, taking in new members in Eastern Europe promised to improve the existing allies' security by institutionalizing democratic control of the armed forces in former Communist countries, eliminating the risk of turmoil in a region that might have become a power vacuum and ethnic powder keg and creating new allies to contribute militarily and politically to NATO's new practice of dispatching troops to handle conflicts around Europe.

Already, the growing stability throughout Central Europe, increasingly evident in the two years since the three new members were chosen, has prompted NATO officials to call the enlargement a success.

Controversial at first in the United States and also in Europe, the move for expansion was approved unanimously by all NATO members, despite the objections from Moscow.

The enlargement initiative, which had its genesis in Washington and was pushed through largely by U.S. efforts, is considered by many experts to be President Bill Clinton's most indisputable achievement in foreign policy.

Institutionalizing radical military and political changes in what used to be the most explosive part of the Continent, the expanded NATO gains its most significant single new piece with the admission of Poland, which can eventually offer substantial contribution in armed forces and immediately brings buffer territory between Russia and Germany.

The Czech Republic has economic problems liable to slow its evolution as a power, and Hungary's political parties have an imperfect consensus behind NATO, alliance officials said.

But expansion has already helped the alliance by reassuring and steady West European countries, notably Germany.

Often gripped by almost palpable anxiety during the Cold War, Germans display new equanimity about possible instability to their east or even threats from Russia, officials said.

NATO security has encouraged the European Union to pursue its own program of broadening membership and helped people in applicant countries be patient about meeting the more difficult economic and social criteria for joining the union.

Most countries in Central and Eastern Europe are eager for a second round of NATO enlargement that might include them — a promise that NATO leaders, including George Robertson, the British defense secretary, affirmed Friday.

But Western officials said privately that the horizon for a second batch of invitations has probably receded beyond the next elections in the United States, Britain and France, in or about 2002.

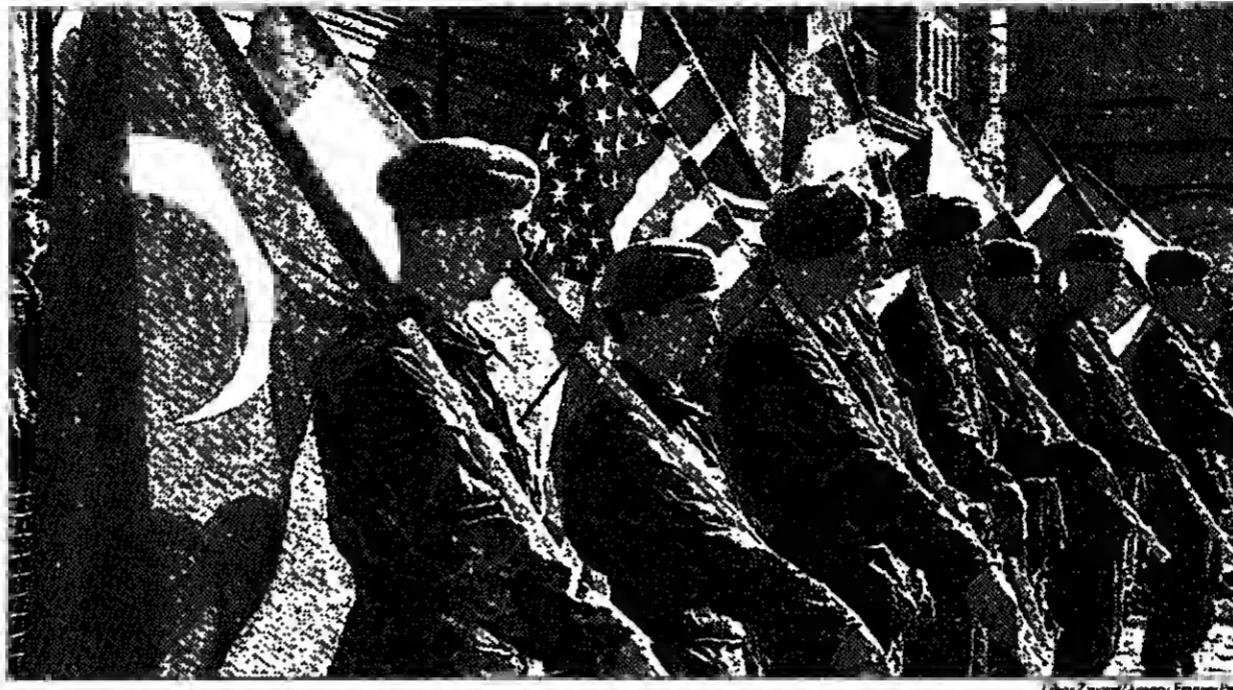
None of these governments wants a new ratification debate soon, and all of them have come to see that the three nations joining now need to go beyond the technical requirements of initial membership before their armed forces can add significantly to NATO's military strength — a task now seen as likely to take at least five years.

For political reasons, however, NATO leaders do not want to be seen hacking away from the "open-door" policy that treats all European countries as potential members and rejects Moscow's right to veto membership, even for the Baltic states.

So the Washington summit talks in six weeks' time will probably announce pro-active programs to help candidate nations improve their military communications and training so that their troops can operate as a team with NATO.

Similar improvements, including English-language teaching and training for noncommissioned officers, are priorities in the three new member states, whose economies are too weak to support major new military investments such as the purchase of new air forces.

Instead of scrapping all the airpower and armor they acquired as allies from the former Soviet Union, the new members intend to modernize the best of it for use by their smaller, Western-style forces in NATO.



Czech soldiers carrying flags of the NATO member countries during a military parade at Liberec on Friday.

TECHNOLOGY: Clinton Defends Response to Chinese Spy Case

Continued from Page 1

are — for us and for China and the Pacific area," Mr. Hastert said in an interview.

"It's also important that we stress our views on human rights," Mr. Hastert said. "If we aren't engaged, we can't do that."

Mr. Clinton said that he did not learn of the potential scope of the technology transfer until July 1997, when he was briefed on a continuing FBI inquiry into a case of possible espionage at the Energy Department laboratories.

The initial investigation produced evidence not only of a hugely damaging transfer of American nuclear technology but also of a systemic leakage of military secrets from the facilities.

"At that time, we moved quickly and decisively," Mr. Clinton said, "not only with the continuing FBI investigation and a CIA review, but also with an intense review of the counterintelligence capacities of our Energy Department labs."

But American officials have said that the federal government's drawn-out effort to track down the possible leak was plagued by delays, inaction and skepticism, even though senior intelligence officials considered it one of the most damaging spy cases in recent history.

He added, half-jokingly: "So when it's difficult, that usually means it's near the turning point."

For instance, a recommendation by

the FBI in April 1997 that background checks be reinstated on visitors to Los Alamos was ignored for 17 months by the Energy Department.

No arrests have been made. A prime suspect in the case, a Taiwan-born scientist at Los Alamos National Laboratory, was fired Monday after three days of questioning.

Mr. Clinton said that from early 1998 he had significantly tightened security at the weapons facilities, including requiring polygraph examinations for employees with access to critical information.

Mr. Clinton asserted that the intelligence committees of Congress have received 16 briefings on the matter since 1997, despite angry complaints that the administration kept them largely in the dark about the alleged spying.

He also rejected calls from some Republicans presidential hopefuls that he dismiss Samuel (Sandy) Berger, the national security adviser, whom some have accused of foot-dragging in the spy case to protect and justify his support for close cooperation with Beijing.

"I would argue that our efforts to have an honest and open policy with China, so that they don't think that we have made a decision in advance to try to contain and limit them in their economic growth and their development as a nation, has paid dividends," the president said.

Senator Craig Thomas, a conservative

Republican from Wyoming who heads the Foreign Relations subcommittee for Asia, dismissed as "premature" the demands for Mr. Berger's resignation.

"I've never supported the idea that every time China does something we don't like we ought to submit a thing to the Senate and get it after them," Mr. Thomas said.

Mr. Clinton said that despite this case and other evidence of Chinese acquisition of weapons-related technology from the United States, it was in America's interest to remain engaged with the Asian giant.

He said that his policy of "strategic partnership" with China had already brought benefits, including the fact that China had signed the Chemical Weapons Convention and the Comprehensive Test Ban Treaty.

He also praised Beijing's cooperation with the United States for progress in nonproliferation programs aimed at Iran, Pakistan and North Korea. China has also played a constructive role in limiting the damage from the Asian economic crisis, Mr. Clinton said.

"I would argue that our efforts to have an honest and open policy with China, so that they don't think that we have made a decision in advance to try to contain and limit them in their economic growth and their development as a nation, has paid dividends," the president said.



Foreign Minister Joschka Fischer, left, and Environment Minister Jürgen Trittin attending a meeting of the Greens party Friday in Bonn. The spokesman for Chancellor Gerhard Schröder said the Social Democratic leader stood by his alliance with the Greens.

GERMANY: Schroeder Takes Over Party and Names Pragmatist

Continued from Page 1

vestment out of Germany. Frankfurt's blue-chip DAX index, which had slumped in recent weeks as investors lost confidence in the Bonn administration, soared 5.34 percent.

The euro on Friday gave back some of the gains it made Thursday against the dollar after the news of Mr. Lafontaine's resignation drove it sharply higher. In late trading Friday, it fell to \$1.0904, from the Thursday close of \$1.1032.

Mr. Lafontaine used his speech to try to dictate the direction of exchange rates and interest rates, impinging on the autonomy of the European Central Bank and unsettling markets.

But it was uncertain if Mr. Schroeder was prepared to use his new authority to shepherd Germany through the economic modernization, as he has promised.

The loss of Mr. Lafontaine failed to quell criticism from industrialists, whose threats to move jobs out of Germany in protest of government policy helped precipitate the finance minister's departure.

After Mr. Lafontaine's tax reform

plan set off a firestorm of protest by business leaders, Mr. Schroeder stood by the plan Friday. He will send the tax package, which shifts new burdens onto business and has been blamed for slumping investor confidence, to the Bundestag, the upper house, for final approval on March 19, as planned.

Hans-Olaf Henkel, the president of the German Industry Federation called on Mr. Schroeder to rip up Mr. Lafontaine's tax legislation. "The government must use this chance if it wants to reach its goal of fighting unemployment," Mr. Henkel said.

Mr. Schroeder "just made his first big mistake," said Adolf Rosenstock, analyst in Frankfurt for Nomura International PLC. "Tax reform is a key test. It means Lafontaine may be out but his policies and ideas live on. We need proof that this government will change direction."

In other ways, the chancellor appears to have traded in one set of problems for another. German officials cautioned that control of party machinery does not mean automatic political success.

Mr. Schroeder also inherits a chronically split political party, which Mr.

Lafontaine had failed to unite. The chancellor, who remains unpopular with the party's labor wing and many of its functionaries, "does not represent the breadth of the party," said Andrea Nahles, head of the party's youth wing.

And as he moves to the center, he might find that his ideologically driven Greens coalition partners might not want to go along. German newspapers devoted front-page editorials Friday to speculation that Mr. Schroeder might ditch his already shaky coalition with the Greens, perhaps in favor of the more conservative Free Democratic Party.

Mr. Schroeder's spokesman insisted the chancellor stood by his alliance with the more radical Greens.

The Greens were undeterred by the loss of Mr. Lafontaine. "It would be an illusion to see Oskar Lafontaine as the only friend of the Greens," said Gunda Rösel, one of the party's two co-speakers.

"I hope we can get this coalition back on course," said Anja Radtke, the other co-speaker. Klaus Zwicker, president of the largest union, IG Metall, said the resignation sent the "wrong signal."

On investments by companies from 12 percent to the United States' level of 20 percent.

Beyond his own practiced vagueness, the deepest inclinations of the Social Democratic Party stand in the way of any profound course correction toward the center. Taking control of the party gives Mr. Schroeder a greatly improved handhold on its attitudes, but his position could hardly be likened to that of Prime Minister Tony Blair's management of the British Labour Party.

There, Mr. Blair took control in opposition and molded Labour over several years to fit his modernized view of business and economics. In Germany, Mr. Schroeder must manage a party whose convictions are close to Mr. Lafontaine's, and which gave Mr. Schroeder support as chancellor candidate largely on the conviction that the former finance minister would serve as his ideological guardian both inside the government and the SPD.

What would then be the pivotal elements of Mr. Schroeder's new centrist? Never big on specifics, Mr. Schroeder managed to avoid any clear statement during his election campaign on how he would hope to lift Germany from its position in 24th place in the World Economic Forum global competitiveness rankings, or improve the average return

weakened since the election and eager to hold on to power as the SPD's coalition partner.

As an example, the president of the SPD's youth wing, a repository of hard-left sentiment, said Friday she was not happy with Mr. Schroeder's taking over as chairman.

Mr. Schroeder, in theory, could manage a switch of alliances, replacing the Greens with the Free Democrats without enormous political upheaval.

But a crisis or rebellion within his own party, similar to that which tore apart the SPD of Chancellor Helmut Schmidt in 1982, could bring down his government. While the markets and the foreign exchange traders liked Mr. Lafontaine's departure on the assumption that it could be good for the euro and investment in Germany, their prospects over the next months were far from clear.

A period of turbulence specifically linked to Mr. Lafontaine's style appeared over, but without any assurance of what would replace it.

U.S. Aircraft Attack Target in North Iraq

Reuters

ANKARA, Turkey — U.S. Air Force jets patrolling over northern Iraq attacked at least one target Friday, according to an officer at the jets' base in southern Turkey.

"At approximately 1:30 P.M., Iraqi forces responded to U.S. aircraft attacks in the northern no-fly zone," Captain Manning Brown reported. It was not immediately clear how many sites had been hit, he added.

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China Scoffs at U.S. Talk of Restricting High-Tech Access

By Michael Laris
Washington Post Service

BEIJING — China's top trade official said Friday that any U.S. attempt to restrict China's access to high technology by curbing American exports would fail because China could easily buy similar products from its many other trading partners.

The official, Shi Guangsheng, China's foreign trade minister, was commenting on a trade issue that has become one of the most sensitive in the Chinese-American relationship. Revelations about Chinese espionage and efforts to buy sensitive technology with military uses have fuelled calls in Washington for tighter export controls.

Mr. Shi repeated the Chinese government's position that the Clinton administration should reconsider its rejection of the Hughes Electronics

Corp.'s sale of telecommunications satellites to a Chinese-led consortium.

Mr. Shi appropriated the vocabulary of free trade, saying that China "is an open market where there are opportunities for fair market competition."

"If the United States doesn't allow its enterprises or high-tech products to enter the Chinese market, products and enterprises from other countries will," he continued. "In the end, the party that will suffer the most will be the United States, will be U.S. companies."

Privately, Chinese analysts said they feared that the U.S. government might reject satellite deals that would disrupt projects worth billions of dollars.

China hopes to remain a key player in the satellite-launching business, and a substantial U.S. contracts would be a sub-

stantial blow.

Clinton administration officials have said the policy allowing satellite exports

and launches in China has not been fundamentally changed, but a congressional committee investigating improper technology transfers to China has called for new restrictions.

Mr. Shi seemed to step back from comments on Thursday by the head of China's central bank that the country was prepared to make "big concessions" to enter the World Trade Organization. Mr. Shi said that despite "very constructive" talks with U.S. officials over the last two weeks, "significant differences remain" and that "both sides should make concerted efforts."

Warning of a "tough" environment in the world market, Mr. Shi conceded that China's international trade volume had dropped precipitously so far this year, a fact first reported by the country's increasingly aggressive media. Trade in January and February was

down a full 10 percent, he said.

The comments marked a relatively frank admission of the problems China faces in its trade relationships around the globe, problems that have broad implications for Chinese society as a whole and for the future of reforms.

The steep decline in trade is threatening China's overall economic growth and the government's ambitious efforts to restructure its frail banking system along with its inefficient state-owned enterprises.

Government fears of increased unrest because of the economic slowdown have also resulted in a more stringent political environment in China as authorities try to assert control over society.

The steep drop-off in China's overall exports in January and February was caused by a dramatic weakening of demand for Chinese products in Europe and slower growth in exports to the

United States, economists said.

Both markets have been safe refuges for Chinese exporters facing sharply declining markets in Asia.

In the United States, exports grew by 6.2 percent in January and February, much slower than the 16 percent increase for all of last year, he said.

China said the economy grew 7.8 percent last year, and would reach 7 percent in 1999, though analysts say both numbers are probably inflated.

China's economic difficulties make a deal on entering the WTO that much more difficult. Chinese and U.S. officials have said they hope to come to an agreement on China's accession to the world trade body by next month before Prime Minister Zhu Rongji travels to Washington.

Mr. Shi said the two sides had made progress in areas including agriculture but that U.S. "demands have overwhelmed China's capabilities."

Rebel Leader Supports Vote In East Timor

Compiled by Our Staff From Dispatches

JAKARTA — East Timor's detained rebel leader Friday welcomed an agreement between Indonesia and Portugal to back a UN-sponsored ballot on autonomy in the territory. But other representatives of pro- and anti-independence factions warned that a vote would spark further bloodshed and cast doubt on whether it would be conducted fairly.

Xanana Gusman, who has been trying to broker peace in the former Portuguese colony, said it was up to the territory's 350,000 people to prove their political maturity in the ballot.

The East Timorese people know they are not alone," he said, "and they have accepted moral, political and economic support during the transitional period to independence."

The UN secretary-general, Kofi Annan, on Thursday announced the deal under which East Timorese would be able to vote on autonomy. Indonesia has said it would grant independence to East Timor if people there rejected its autonomy plan, which is expected to be presented by the end of April.

The direct vote would be organized and conducted under UN auspices but without all the official requirements of a referendum. Foreign Minister Ali Alatas reiterated Indonesia's opposition to a full referendum, which he said risked increased violence.

A pro-Indonesia legislator in Dili, the capital of East Timor, said a vote would lead to more fighting between rival groups. "It will create a blood-bath," Florentino Sarmiento said. "There are many armed people around."

In Sydney, Jose Ramos-Horta, the independence activist and Nobel peace laureate, said he doubted that Indonesia would conduct the poll fairly. "The Indonesians have not given us any reason to trust them," he said. (AP, Reuters)



GRIEVING AMBON — Relatives of Jacob Sonnaikunbun crying as the coffin of the 66-year-old Christian is lowered Friday. Mr. Jacob was killed in his home, a victim of Muslim-Christian fighting in the Indonesian city.

North Korea Insists It Won't Budge on Missiles

Reuters

TOKYO — North Korea said Friday that it would make no concessions on its missile program in its talks with the United States and accused Washington of trying to press for military dominance of Asia.

The missile issue is "a make-or-break matter of principle that allows no concession," a spokesman for the North Korean Foreign Ministry was quoted as saying in a report that was monitored in Tokyo.

Negotiators from North Korea and the United States, who have been meeting in New York for nearly two weeks, held more talks Thursday and were expected to meet again Friday.

Nuclear Work Goes On

Elizabeth Becker of the New York Times reported earlier from Washington:

North Korea is working on its nuclear program, despite Clinton administration reports that the program is frozen, according to former Secretary of Defense William Perry, the president's special adviser on North Korea.

"What they're doing is moving forward on their nuclear weapons," Mr. Perry said at a news conference Thursday for the publication of his book "Preventive Defense," written with Ashton Carter and published by the Brookings Institution. "They seem to have other

programs under way that are part of a nuclear effort."

This month Mr. Perry will submit a report to the president on the effectiveness of U.S. policy toward North Korea, assessing whether Pyongyang has complied with a 1994 agreement that guaranteed it fuel oil and other aid in return for a pledge to freeze its nuclear weapons effort.

On Thursday the administration repeated its conclusion that there was "no basis to conclude at this point that the Democratic People's Republic of Korea has violated" the 1994 agreement and that it was pressing for inspections of the suspicious site "to be able to confirm that North Korea remains in compliance."

UN Will Return Aid Personnel To Afghanistan

Reuters

UNITED NATIONS, New York — UN staff members will begin returning to Afghanistan next week after security assurances that included promises of protection from the Saudi-born dissident Osama bin Laden, UN officials announced Friday.

The United Nations has decided to initiate the gradual return of UN personnel to Afghanistan, Fred Eckhard, spokesman, said. They were withdrawn in August after a U.S. missile strike and the murder of a UN military adviser.

Up to eight international humanitarian and human rights workers will be sent to Kabul next week along with a special security officer. In the following week, between March 22 to 28, another eight would go to Kandahar, after which small offices would open in Herat and Jalalabad, with security officers at each location.

Asked about Mr. bin Laden, whom the United States believes is still in the Kandahar area, Sergio Vieira de Mello, the UN humanitarian coordinator, said this had been raised with the country's Taliban leaders, who control most of Afghanistan.

"We have received assurances that every step has been taken that this individual is not above the law, and that neither he nor the group he leads will be allowed to put the lives of humanitarian staff in danger," he said.

About 40 UN foreign workers were withdrawn from Afghanistan on Aug. 22, a day after the killing in Kabul of Carmino Calo, a 42-year-old Italian Army lieutenant-colonel who served as a UN military adviser.

The United Nations had made a condition of its return proof from the Taliban that it was properly investigating Colonel Calo's death and that of two other UN relief workers killed in July in the city of Jalalabad.

William Wrigley, Head of Gum Maker, Dies

New York Times Service

CHICAGO — William Wrigley, 66, chief executive of the Wm. Wrigley Jr. Co. and the heir of the chewing gum family that once owned the Chicago Cubs baseball team, died Monday after a brief bout of pneumonia.

The Wrigley company announced the death in a one-sentence statement, in keeping with Mr. Wrigley's private and understated approach during the 38

years he ran the company.

His 35-year-old son, William Wrigley Jr., was named acting president earlier this year.

He is the fourth generation of the family to head a company that was founded in 1891 by an earlier William Wrigley Jr.

The intensely private William Wrigley headed the company since 1961, guiding it through a time of eroding market share in the 1970s. Today, as

he had about two-thirds of the market.

As a result, Mr. Wrigley — who inherited an \$81 million estate from his father, Philip Knight Wrigley, in 1977

— was worth more than \$2.7 billion at the time of his death, ranking him 64 in the latest Forbes 400 survey of the richest Americans.

Over a period of several years, he donated a total of \$15 million to the University of Southern California to establish the Wrigley Institute of Environmental Studies.

Sidney Gottlieb, 80; CIA Experimenter

New York Times Service

WASHINGTON — Sidney Gottlieb, 80, who presided over Cold War efforts of the Central Intelligence Agency to control the human mind, prevent mental manipulation and provided the agency with poisons intended to kill President Fidel Castro of Cuba — and was reportedly involved in other complex assassination plots — died Sunday in the village of Washington, Virginia.

He had spent his later years caring for dying patients, trying to manage a community, folk-dancing, consciousness-raising and fighting lawsuits from survivors of a variety of secret Cold War tests.

John Leland Arwood, 94, a designer of the P-51 Mustang of World War II fame, died March 5, in Los Angeles (AP).

Peggy Cass, 74, a brassy-voiced comedian best known for her portrayal of the pregnant, unwed secretary in "Amiee Mann," died of heart failure Monday in New York City. (NYT)

Arnold Machin, 87, British stamp designer who did the popular issue featuring the profile of Queen Elizabeth II, died in London. (AP)

Yehudi Menuhin was born in New York on April 22, 1916. His parents, Moise and Maruha Menuhin, were Russian-Jewish immigrants. They named their son Yehudi, which means "the Jew," after a landlord showing them an apartment told them that a benefit of the building was that there were no Jews in residence.

Because they could not afford a babysitter, the Menuhins brought Yehudi to concerts they attended. When he was 3, he asked for a violin. He became increasingly interested in musical pedagogy. In 1963, he established the Yehudi Menuhin School at Gstaad, Switzerland, and he was appointed music director of the Bath Festival in England two years later. At Gstaad, he established a chamber orchestra with which he made his first recordings as a conductor.

He became increasingly interested in musical pedagogy. In 1963, he established the Yehudi Menuhin School at Gstaad, Switzerland, and he was appointed music director of the Bath Festival in England two years later. At Gstaad, he established a chamber orchestra with which he made his first recordings as a conductor.

Several times in his career, personal and technical crises forced Mr. Menuhin to stop playing and reconsider his approach to the violin. Well into his 60s, he spoke of the need to analyze his tech-

IN OTHER WORDS By Martin Schneider



ART

When Thinking Big Just Isn't Enough

A Long Road Back for the Bolshoi

By Celeste Bohlen
New York Times Service

MOSCOW — Nobody has ever accused the Bolshoi Theater of thinking small; after all, the word *bolshoi* means big, great or grand. People are trained from childhood to assume and to assert, not only that Russia's premier opera and ballet company is bigger than its best-known rivals and performs more often, but also that it is simply the best.

For much of the last decade, most everyone knew that was not true. The theater's ballet company had gone into a serious slump during the last years of the reign of Yuri Grigorovich, a brilliant but dictatorial choreographer.

Three years ago Grigorovich was forced out. Vladimir Vasilyev, one of the Bolshoi's most famous ballet stars, was named director of the theater, which comprises its ballet and opera companies as well as the orchestra, and hopes for the restoration of the Bolshoi's former grandeur rose. But the first years of the Vasilyev reign have brought more disappointment than triumph.

But the Bolshoi being the Bolshoi, it still thinks big. Among its more far-fetched plans is a colossal building project, supported by the United Nations Educational Scientific and Cultural Organization; if it is ever finished, it could cost almost \$400 million and would shut the main theater for renovation starting next January. Where the money would come from, however, is an ever-deepening mystery, as the finances of the government, the theater's main sponsor, grow ever more precarious.

Now does the Bolshoi's artistic program lack ambition? This year the ballet company, which because of Russia's financial crisis lost a private sponsor for the staging of a Maurice Bejart ballet late last year, is committed to a premiere this spring of George Balanchine's "Symphony in C," and with only two months to

Not everyone agrees about the new level of quality at the Bolshoi.

has not died, but that the Bolshoi has climbed to new heights."

Not everyone agrees about the new level of quality at the Bolshoi. With a few exceptions Vasilyev's new productions, of which there have been at least 17 over three years, have not been warmly received. Russian critics have been generally unimpressed by new versions of some of the Bolshoi's classics, or "calling cards" as they are called, and several have wondered, aloud and in print, if in its frantic search for a new identity the Bolshoi has lost its way.

"We were all convinced that by replacing Grigorovich with Vasilyev, a great future would open up," said Vadim Gayevsky, a ballet scholar and critic. "Vasilyev had been abroad; he had a lot of energy. We thought he could wake up the slumbering kingdom, like the prince in 'Sleeping Beauty.' We were right. He did have a lot of energy, but he used it to take the ballet backward, not forward."

By Souren Melikian
International Herald Tribune

LONDON — Orazio Gentileschi — the painter who made the jump from the stylization of late Mannerism into the hard reality of modern times — in just 10 pictures: This is a cameo art show, the museum answer to the age of sound bites, and it is stunning.

So powerful is the impact of the monumental canvases hug together in the Sunley Room of the National Gallery that it is hard to understand why an artist who could be so great should receive the honors of a one-man show only now. Is this because so little of substance is known about the boy from Pisa, born in 1563, whose formative years elude us?

Were it not for two letters written later by Orazio, we would not suspect that he left for Rome in his midteens to enter a workshop engaged in decorating with frescoes the Biblioteca Sistina in the Vatican, Santa Maria Maggiore, and San Giovanni Laterano. Apparently Orazio hung on to the job "Christ, the Alpha and Omega" in the Biblioteca Sistina, done about 1588-89, is the earliest work credited to the artist by R. Ward Bissell, whose masterly book published in 1981 reconstructed a forgotten oeuvre.

There it was that Orazio met Caravaggio around 1600. He must have seen in Santa Maria del Popolo his painting "The Conversion of Saul," in which a horse bends over the fallen Saul, and others of that ilk. The work of the master of the new realism in dramatic light changed Orazio's way of looking at the world.

They became cronies, enough for Orazio to lend Caravaggio studio props — the habit of a Capuchin friar, a pair of wings.

These can be seen in Orazio's "Saint Francis Supported by an Angel," painted in two versions that reveal a metamorphosis in the artist's aesthetic approach. Gone is the Mannerist stylization of the 1590s. Saint Francis appears as a Capuchin friar overcome by exhaustion. An angel that looks like some anxious middle-aged Roman woman struggles to prop him. The close-up scene has no background, a novelty for Orazio. It has the feel of an experience from life, including the angel, whose wings are, literally, just prope.

Yet, the painter by now means turned into the follower of Caravaggio that some critics describe. He underwent other influences. In "Saint Mary Magdalene in Penitence," painted for a small church at Fabriano, a distraught

woman kneels in a landscape swept through by a dark storm, suggestive of Adam Elsheimer.

A curious mix of nature observed in a somber mood and characters engaging in some operatic performance briefly became Orazio's trademark. In oil paintings, the outcome was often incongruous. In "David and Goliath," on loan from Duhlin, the hero brandishing an enormous sword over his head seems to dance his way to some execution.

In frescoes, the result could be intensely poetic. His "Musical Concert Sponsored by Apollo and the Muses" in the Palazzo Pallavicini Rospiugliosi, where he worked with Agostino Tassi in 1610-1611, marked the apex of the genre. The characters looking down from balconies are like fairy-tale apparitions in a stylized drama.

At that point tragedy intruded into Orazio's life. In the spring of 1611, his daughter Artemisia, then on her way to becoming a brilliant painter, was raped by Tassi. There was a trial. Tassi was jailed. Soon released thanks to powerful connections, he set about ruining his former friend's career.

As if this ordeal had unleashed his repressed creativity, Orazio started painting some of his greatest works ever, as advanced as any that would be painted a generation later. One of his masterpieces, "Young Woman Playing a Lute," at the National Gallery in Washington, could not travel to the small-budget show. It heralds the images of a privileged moment that Vermeer would paint four decades later.

Together with "Saint Cecilia With an Angel," also in Washington, it would be sufficient to place Orazio among the towering figures of the 17th century regardless of some not-so-inspired works that he produced both in earlier and in later days.

BUT Orazio did not leave it at that. The manner that characterizes his ultimate achievement, "The Rest on the Flight into Egypt," could perhaps be best characterized as the painting of reality in a surreal mood. On loan from the Birmingham Museum and Art Gallery, the picture, 219-centimeters (86-inches) long, leaps off the wall.

A peasant, overcome by the journey, has collapsed over a bale while a young woman reeling in the dust leans forward with a wistful expression to feed the infant. A crumbling brick wall gives them an illusory protection as dark clouds roll in the sky. Behind the wall, the head of a mule appears, dominating the scene, full of enigmatic understanding. A flattening of perspective as if distances were compressed by a tele-



"The Rest on the Flight Into Egypt" by Orazio Gentileschi.

photo lens, enhances the dramatic atmosphere — the characters seem to be right there. The feeling is almost French.

Could this reflect influences absorbed by Orazio during the months he spent in France in 1625 and 1626 before leaving for England?

Next to "The Rest on the Flight to Egypt," hangs "The Mocking of Christ," from a private collection. Specialists still hesitate about the attribution. Bissell ruled out Orazio. Gabriele Finaldi, the organizer of the show and editor of the book, without spelling it out, implies that the composition may have been painted when Orazio was already in England. The brutality of the scene, more marked than is customary with Orazio, makes one wonder.

Two versions of "The Finding of Moses," done after Orazio entered the service of Charles I, are shown side by side. They reveal the extraordinary transformation of the painter's art following his arrival in London in September 1626. By then he was 63.

A formal elegance was now Orazio's primary concern, highly noticeable in the women of the court standing in a park, painted in a manner that is entirely northern. In the Prado Museum version, the head of a mule appears, dominating the scene, full of enigmatic understanding. A flattening of perspective as if distances were compressed by a tele-

Castle Howard, which was sold at Sotheby's in 1995, is blander and colder — and made worse by a cleaning that has washed off the sfumato.

The underlying theme developed by Finaldi is that Gentileschi's London phase has been unfairly underrated. Sadly, this wonderful show will leave many viewers convinced that Orazio's spell in England effectively put an end to the flashes of genius he had in the years 1610 to 1620.

Finaldi's valiant attempt might have been more convincing had he resisted the understandable temptation of bringing such a gem as "The Virgin and Child in a Landscape" all the way from Burghley House in Stamford, Lincolnshire. Muted despair emanates from the young woman in golden yellow and blue drapes as she bends over her child asleep on her knees. The landscape, where the sun is about to vanish like the last glimmer of hope, is attuned to the mood. The admirable picture was executed in Italy when the artist was scarred by his daughter's ordeal. In London, age and success at last dulled the pain. They also turned his art into encrusted decoration.

Orazio Gentileschi at the Court of Charles I: The National Gallery, London, to May 23; Museo de Bellas Artes de Bilbao, Spain, June 7 to Sept. 5; Museo del Prado, Madrid, Sept. 20 to Nov. 20.

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THE MONEY REPORT

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After the Fall in Latin America, There Is Nowhere to Go But Up

By Aline Sullivan

INVESTING IN Latin America can break your heart. Ask anyone invested in Ecuador, where this week the government tried to stem a run on the banks by announcing a surprise two-day holiday. Ask anyone invested in Brazil, where so far this year the currency has plunged nearly 40 percent against the dollar. Indeed, ask anyone who invested in oil-dependent Venezuela over the past two years.

It is enough to make a grown investor weep. But the sensible ones are drying their eyes and taking a new look. The International Monetary Fund's decision this week to back Brazil with a \$41.5 billion credit line is the signal many professional investors have been waiting for.

"Our emerging-markets team meets every morning," said Michael Hughes, director of business development at Asset Management in London, the day after the IMF decision was announced. "Today was the first time since the emerging-market crisis started in Thailand and then spread that everyone at the table agreed that it had bottomed."

Fleming has \$9 billion under management in emerging markets. Of that, \$1.9 billion is in Latin America.

"We want to invest for the long-term in the best companies in the emerging markets and a lot of these are in Latin America," Mr. Hughes said. "Brazil and Mexico are the most attractive as well as the biggest. All the bad news is already priced into Brazilian stocks and now the news is getting better. In Mexico, the top-line companies are run like American companies but still have emerging-market growth prospects."

No one is suggesting it will be smooth sailing. Brazil faces at least one more critical hurdle: a financial-transaction tax that the government is battling to get through Congress. The tax, known by the acronym CPMF, would generate 8 billion reals (\$4.27 billion) this year if it is introduced on schedule by the end of June. A vote is slated for Wednesday.

"It will be a disaster if the government doesn't get the CPMF," said Stephen Rose, managing director of UBB Capital Markets, an investment advisory firm in London. "But the signs are that it will. There is a real feeling now in Brazil that the government, if not fully in the saddle, at least has a foot in the stirrups."

Brazil's sheer size means that many investors think Latin America and see Brazil. That is unfortunate for the countries are quite different. Mexico, for example, is far more aligned economically with the United States than with Brazil. Worse still, in the eyes of some analysts, is the tendency of many investors to lump all the world's emerging markets together as one asset class.

This makes it easy to think of the events of the past two years as caused by one great crisis, moving ever westward from Asia to Russia to Latin America. But the roots of Asia's woes — excessive corporate debt and poor investment decisions — were very different from those of Latin America.

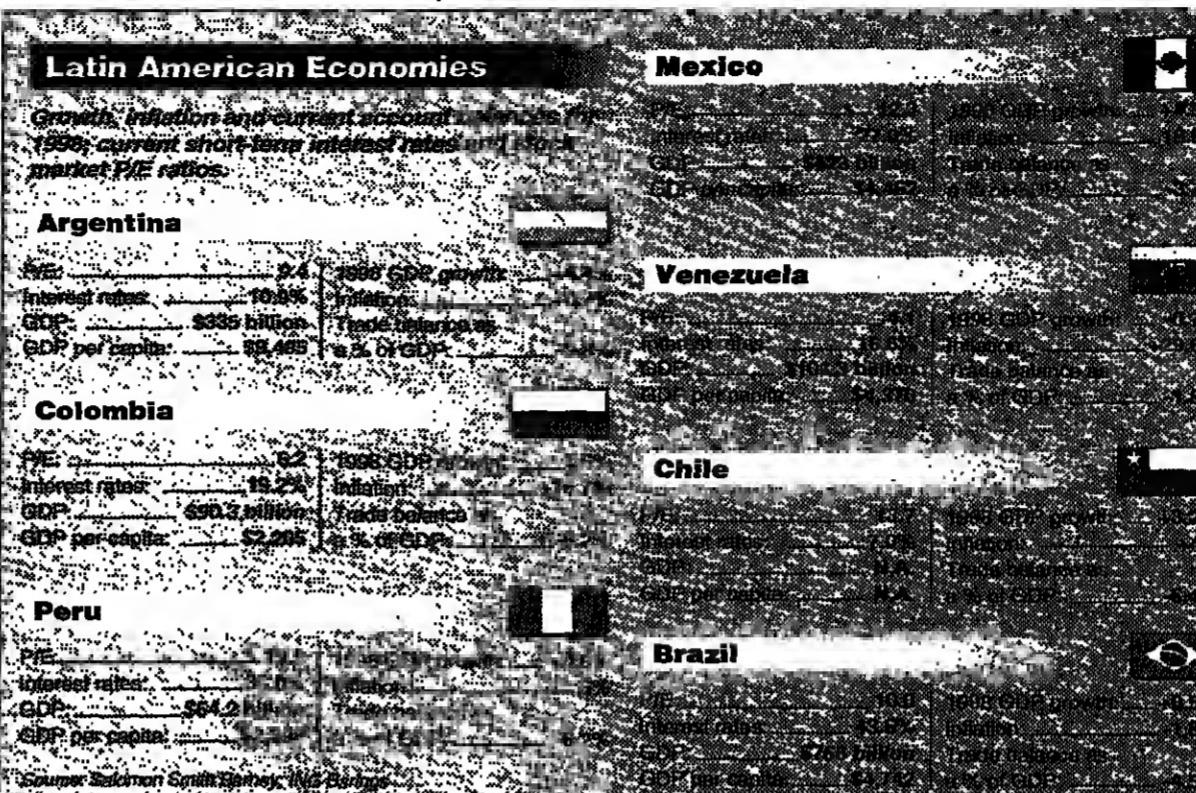
Brazil and its neighbors suffered because of excessive government debt and public-sector consumption. In Latin America, the governments were to blame, not the companies. "Look at the average Korean company," said Mr. Hughes. "It is riddled with debt. That is just not a big problem in Latin America."

Analysis at ING Barings pointed out in a recent report on emerging-market strategy that most Latin American companies have low price-to-book ratios and high dividend yields. "At the corporate level, Latin America remains in rude health," they wrote. "Regional valuations are hugely attractive, balance sheets are solid while earnings should show impressive resilience."

Commodities have played a leading role in Latin America's latest economic crisis. Desmond Lachman, emerging-market strategist at Salomon Smith Barney Inc., noted that much of Latin America remains far too dependent on commodities for export earnings. Asian demand for Chile's copper has shriveled, while rock-bottom oil prices have been disastrous for Venezuela.

Therefore, the prognosis for Chilean companies, which are in many ways the best-run and most economically sophisticated in Latin America, is mixed.

"We are seeing growth again in most Asian countries and there is even some signs that Japan is ready to get going again," said Mr. Lachman. "If that happens, Chile will be a big beneficiary." Until then, however, local investors are braced for a downturn. Chile is by far the world's largest producer of copper. Last year it produced about 4.2 million metric tons, worth about \$5 billion at today's prices. Almost all of that was exported,



with about 20 percent going to Japan.

A few Chilean companies are exporting other things. "Chilectra SA, the big electricity-generating company, is very good at buying stakes in newly privatized companies elsewhere in Latin America and helping boost their performance," said Lise Ruhinstein, a Latin America investment analyst at Fleming Asset Management. Compania de Telecomunicaciones de Chile SA, known as CTC, is also looking beyond its borders for growth, notably in Brazil. This external focus makes both companies "good long-term stories" for investors, she said.

THREE CAN be potholes on the road to cross-border expansion, however. Argentinians are demanding compensation and for executives to be punished following a 10-day blackout in Buenos Aires at the height of summer last month that caused an estimated \$900 million in damage. The buck is likely to stop with Chilectra, which runs Empresa Distribuidora Sur SA, known as Edesur, the country's

largest electricity distributor. Times are likely to stay tough in Venezuela, where petroleum accounts for 73 percent of exports and 44 percent of government revenues. Mr. Upton at Credit Suisse dismissed hopes that Venezuela's new president, Hugo Chavez, would be more investor-friendly than his populist background indicates, thus giving a lift to the markets. "Venezuela's problems are oil, oil and oil," Mr. Upton said. "It doesn't matter how orthodox the new government turns out to be: The country is overly dependent on oil."

Elsewhere, the outlook is rosier. Financial systems across the major regional economies are now in much more robust shape, compared with the post-Tequila period in 1995, the ING Barings analysts noted. "Argentine banks, in particular, have ensured a prudent level of protection against the negative impacts of capital flight."

Banco de Galicia & Buenos Aires SA and Banco Frances SA are the two most often cited as attractive by local analysts.

Banco Frances is a favorite of international investors because it is partly owned by Banco Bilbao Vizcaya SA of Spain.

Also appealing in Argentina are YPF SA and Perez Compagny SA, the country's two biggest energy producers. No one expects petroleum prices to recover anytime soon, but both companies are busy improving profitability and cutting costs. "Repsol SA of Spain bought a 15 percent stake in YPF in January and may take it over while Perez is divesting many noncore assets and cleaning up its balance sheet," said Ms. Rubinstein. "Both are good long-term buys."

Aside from well-run companies, there is a big reason to take another look at Latin America. Rapidly changing demographics in the industrial world mean that the number of people 65 or older will rise by 78 million, while the number of working people will fall by about 15 million in the next 25 years. But in the less-developed regions, including Latin America, the trend is completely different. The number of people aged 16 to 64 will rise by nearly 1.6 billion, or five

times the number of retirees.

Investors may know the story, but as they are buffeted by one emerging-markets crisis after another, they relegate the bigger picture to the back of their minds and focus on the more stable economies of Europe and North America.

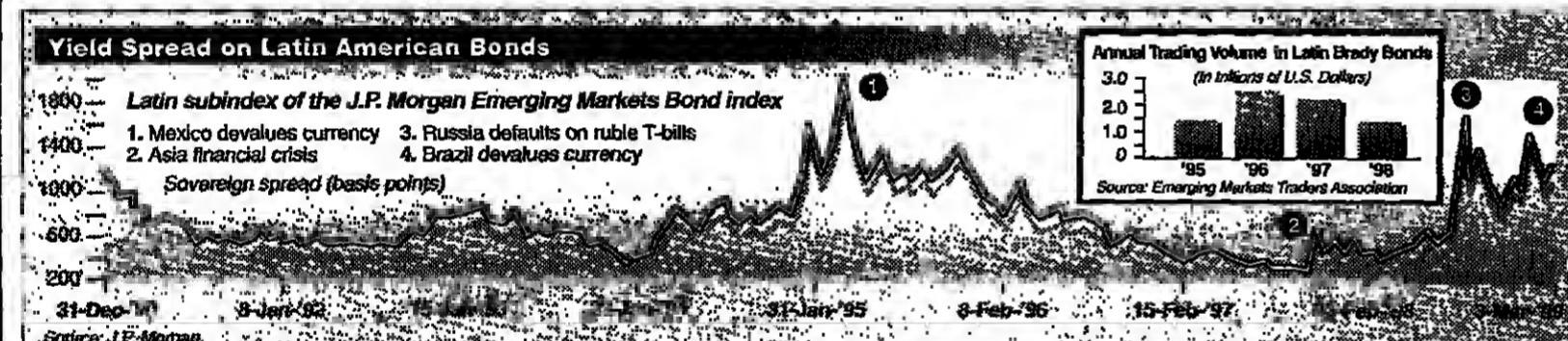
But corporations do not. They are investing for the long term and they know that their future markets are in what are now the emerging economies. Direct investment by foreign corporations into Brazil alone totaled almost \$20 billion last year after rising steadily this decade, according to Fleming research. That is about 10 times the amount invested in any single year during the 1980s.

"Foreign direct investment appears to be undiminished as a result of the problems affecting emerging stock markets," the Fleming research found. "Indeed, the incredibly low asset prices now available appear to be causing a boom in mergers and acquisitions activity in emerging markets." So why not just buy shares in the Western companies active in these markets, avoiding the currency risk and at least some of the other heartbreak associated with emerging-market investments?

"Because you pay developed-market prices for emerging-market risk instead of emerging-market prices," said Mr. Hughes. "Why buy Coca-Cola Co. when you can buy Panamerican Beverages Inc. at a fraction of the cost?" Coca-Cola was trading at \$66 per share this week, about 45 times its expected 1999 earnings. Panamerican Beverages is the largest soft-drink bottler in Latin America and one of the world's top Coca-Cola bottlers. It has operations in Brazil, Colombia, Costa Rica, Guatemala, Mexico, Nicaragua, and Venezuela, and is listed on the New York Stock Exchange, where it fetched just under \$17, or 23 times earnings.

Two major economic crises in one decade is enough to turn almost anyone off investing in Latin America. But it was the last emerging-market region to succumb to the 1997 global crisis and shows every sign of being the first out. That, together with some great companies, makes it worth a close but careful look right now, analysts said.

"Most individuals should invest in these markets only through funds," advised Mr. Hughes. "Anyone determined to do it on their own should find the best companies and stick with them. Don't trade a lot because that is the surest way to lose money in the emerging markets."



In Yields from Brady Bonds, a Boon for the Intrepid Investor

By Judith Rehak

LOOK INTO THE portfolio of any investor in emerging-market debt and you are almost certain to find some Latin American Brady bonds.

These dollar-denominated securities are named after Nicholas Brady, the former U.S. Treasury secretary who was instrumental in creating them in the late 1980s as a way of enabling Latin American governments to restructure and repay the enormous debt they owed to foreign banks. Since then, Bradies have been sought for their double-digit yields. Most of them are considered junk bonds, even though many are partially backed by U.S. Treasury issues, which guarantee that some or all of the principal of the obligations will be paid at maturity even if there is a default on interest payments.

Like all Latin American securities, Bradies have been hammered by the seemingly endless crises in emerging markets, from Russia's default on its ruble debt to Brazil's currency devaluation in January. Trading volumes in Latin American Bradies plunged 38 percent, to \$1.38 trillion, in 1998, according to a report from the Emerging Markets Traders Association.

The spread — the difference between the yield on a Brady and a U.S. Treasury bond of comparable maturity — is the indicator of risk in this turbulent market. Currently, the spread on the Latin debt portion of the J.P. Morgan Emerging Market Bond Index over a Treasury is a wide 11.68 percent, compared with a relatively benign 4.78 percent a year ago. (In between, it peaked at 11.15 percent on Sept. 10, when panic hit world debt markets following Russia's default and the near-collapse of the Long-Term Capital Management LP hedge fund).

So where do things stand now for Latin America's Brady investors?

"The market is not dead; it's waiting for one fairly big event — Brazil — to pan out," said Richard Gray, head of emerging-market debt at Rogge Global Partners, a London-based bond specialist. He said the risk of Brazil in-

flecting other countries was diminishing.

"What that means is that you can pick and choose better assets on the assumption that even if Brazil gets worse, prices are already so low that Brazil contagion won't pull them down," he added.

His favorite asset right now is in Mexico, the country farthest removed from Brazil's woes. Benefiting from its close ties with the strong U.S. economy, more flexible monetary and exchange-rate policies than other Latin American countries and an economy that is expected to escape the recession elsewhere on the continent, Mexico has so far survived in better shape.

Specifically, Mr. Gray favors a Brady bond known as a Mexican par. These bonds, due in 2019, are currently priced at about 77 cents on the dollar, with a "stripped" yield to maturity of about 13.12 percent. By stripped, Mr. Gray means that the portion collateralized by U.S. Treasuries has been factored out to draw more accurate comparisons with other debt instruments. The actual yield to maturity is about 9 percent.

GIVEN THE volatility of these markets, the issue of whether to buy collateralized versus uncollateralized Bradies depends on how much risk an investor can tolerate, with many willing to accept lower yields for the protection of a U.S. Treasury-backed repayment of principal.

For example, Helene Williamson, manager of the Latin American Extra Yield Fund at Foreign & Colonial Emerging Markets in London, said she owns mostly collateralized Bradies because of her defensive mode at present. One that has done well for her is Argentina's floating-rate bond due in 2005. In February, for example, floating-rate Argentine Bradies returned 3.7 percent, compared with fixed-rate Bradies, which returned only 0.1 percent. The floaters' interest rate is 0.9375 percentage point above six-month interbank dollar rates in London.

At the Templeton Emerging Debt Fund in Fort Lauderdale, Florida, the manager Umran Demirors said that

while he was income-oriented, he found it hard to resist a bit of tactical trading in Brazilian pars, which are collateralized. The bonds are currently trading at only 56 cents on the dollar, and Mr. Demirors figures the portion guaranteed by U.S. Treasuries is about 28 cents.

"Even if there were a danger that Brazil would collapse, nearly half is collateralized," he said, "so I'm willing to take that risk."

One of the more curious aspects of Brady bonds, at least to an outsider, is that although Brazil is fraught with risk, Brazilian "C" Bradies, uncollateralized 10-year bonds, are consistently the most heavily traded in the Latin debt universe. The attraction is that in sharp contrast to many Bradies, Brazilian Cs have a large, liquid market. Lately, trading has ranged between 59 cents on the dollar and 50 cents.

"That's a wide range, and you could make a 20 percent return — or lose 20 percent," Mr. Demirors said.

Argentina is another country being closely watched by Latin debt investors. Ms. Williamson, who had roughly 26 percent of her portfolio in Argentina at the end of last year, said that compared with Mexico, where she had 17 percent, Argentina par Bradies due in 2023 were attractively priced at a 9.20 percent yield, compared with their Mexican equivalents, which yield 8.30 percent.

Another reason for Ms. Williamson's "strong preference" for Bradies in Argentina is that their numbers are shrinking as they are paid off or bought back, making them more attractive than competing dollar-denominated Eurobonds, where growing supply is likely to push down prices.

While emerging-market debt funds delivered spectacular returns in 1995 and 1996, starting with the Asian financial crisis nearly two years ago, it became painfully obvious that even professionals cannot avoid unpredict-

able political and economic events. The typical emerging-market debt fund lost about 25 percent of its value last year, with some down more than 30 percent.

NEVERTHLESS, traders said that a few intrepid individuals buy Bradies on their own. They describe them as well-heeled, sophisticated income seekers with an understanding of the market and the risks. Denominations on a single Brady can run as low as \$100,000, although they are usually \$250,000, so if you are buying at a discount to face value, you could pay as little as half of that.

Even so, you might have difficulty convincing your broker to sell you one. "You've really got to know your customer," one broker emphasized.

One firm that sells Argentine Bradies to individuals (though not to American citizens because of regularity issues) is the Friedberg Mercantile Group, a Toronto-based boutique that specializes in currency and foreign bond transactions.

According to Michael Hart, chief of the firm's bond trading desk, it currently offers only Argentina's floating-rate notes, collateralized and yielding 12.6 percent. Because Friedberg makes a market in the security, it will pool money to buy a single bond, allowing an investor to get in for a minimum of \$5,000, although most invest more, Mr. Hart said.

As to when investors in this volatile market can expect better times, analysts agree that much depends on Brazil, which has a new Central Bank chief and is working to structure agreements with the International Monetary Fund.

"But with spreads like these currently, the market is very cheap — if the wheels don't come off," Mr. Gray said. "My analysis will be focused on the wheels not coming off in any major Latin country."

For further information:

• FRIEDBERG MERCANTILE GROUP, Telephone: 416 2700, or call-free at the United States and Canada; 1-800 451-7700.
• LATIN AMERICAN EXTRA YIELD FUND, Telephone: 212 771 6231.
• TEMPLTON EMERGING MARKETS INCOME FUND, Telephone: 212 771 6231.
• TELMEX, Tel. Nicolas Brady is a director of this fund, which invests in emerging-market bonds from all over the world.

LATIN AMERICA'S two biggest economies are as different as chalk and cheese. Investors tune in daily for news of Brazil's enormous problems and even more enormous potential. Mexico, which made a big splash in the headlines following its 1994 currency debacle, has since quietly made tremendous progress in distinguishing itself from the rest of Latin America and strengthening its ties with the United States.

Indeed, about the only thing the two countries have in common right now is a lot of attractively priced stocks, analysts said. The Brazilian real and the Mexican peso have stabilized in the past few days but remain cheap, compared with the dollar and most other currencies. Of course, their companies' earnings and assets (the two most common ways of measuring corporate values) also look cheap. Those who believe that better days are ahead for Brazil and Mexico should stick with them. Don't trade a lot because that is the surest way to lose money in the emerging markets.

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Both Compania Brasileira de Distribuicao Grupo Pao de Acucar, Brazil's biggest supermarket chain, and Perdigao SA, the processed-meats and foods company, are very well-managed and both sell goods that people will keep on buying, said Mr. Rose. "Better still, they don't suffer when interest rates are high."

Pao de Acucar executives said this week that the company may acquire medium-sized supermarket chains this year, in addition to five takeovers in the past two years. This strategy sets the company apart from many others in Brazil, which are busy cutting costs.

Brewers and bottling companies in both countries are also fairly sure bets, analysts said. Mexico's Grupo Continental SA and Fomento Economico Mexicano SA de CV, which is known as Femsa, are described by James Upton, a Latin America strategist at Credit Suisse in New York, as "solid companies with strong fundamentals and familiarity to U.S. investors." Domestic demand is strong and growing but the shares are substantially undervalued: Femsa shares, for example, were recently trading at just half their value that time last year.

That view was echoed by Laura Matzler, an analyst at Salomon Smith Barney, Inc. in Mexico City, on March 9, when she raised her price target on Femsa's ADRs to \$29.75 from \$24, saying that her previous target, assigned just after the Brazilian devaluation, was "overly pessimistic."

Compania Cervejaria Brahma of Brazil, the biggest brewer in Latin America and one of the biggest in the world, may be the one most worth buying, said Michael Hughes, director of business development at Fleming Asset Management in London. "It has strong fundamentals, strong management and is a big beneficiary of any increase in consumption."

Other sectors likely to benefit from rising domestic demand in Mexico and Brazil are the banks and the construction and materials companies, analysts said. Grupo Financiero Banamex-Accival and Grupo Financiero Bancomer SA, the two biggest Mexican banks, have risen steadily in recent weeks as investors bet that a strong peso and slowing inflation will lead to lower interest rates.

Fleming analysts identified Corporacion Gec SA de CV, a builder of low-cost homes, as an attractive play as declining interest rates in Mexico spur demand for home mortgages and building. Cemex SA, the world's third-largest cement maker, is worth buying for the same reasons, they said.

ALINE SULLIVAN

THE MONEY REPORT

Merits of Growth Investing: Great Stocks Cannot Thrive on Value Alone

NOT A FEW READERS have accused me lately of throwing in the towel on value stocks. Untrue. I am just doing a little reassessing.

Value stocks are stocks that seem to be bargains, left on the shelf by investors reaching for frontier, more expensive items. Value stocks are easy to identify. They have, for instance, low price-to-earnings ratios — it costs fewer dollars to buy a dollar of their profits.

Growth, or momentum, stocks are the trendier items, companies whose profits — and prices — are growing quickly and whose P/E ratios are lofty.

While academic research shows that value stocks beat growth, recent history is strikingly different. For the past five years in a row, growth has whumped value. Over the last 36 months, the Vanguard Growth Index Fund, comprising stocks in the Standard & Poor's 500 Index with growth characteristics, has returned 145 percent, while the Vanguard Value Index Fund has returned 80 percent. So far this year, growth has returned twice as much as value.

Is this an aberration, or is something changing? No one can tell, but an investor who puts all her eggs in the value basket is making a huge mistake. The economist Kevin Hassett and I have concluded, in work we are doing for a book on the market, that strong, consistent growth is essential to a stock's success. A company that is simply cheap — which trades, say, at a P/E of 8 but whose profits are just limping along — is not a stock we want to own.

How much growth? A company that can regularly increase its earnings (and dividends) by double-digits annually is the ideal. Such stocks exist. Look at Automatic Data Processing

Inc., which provides payroll and other accounting services. It has boosted profits by double digits every year since 1963. Its stock, at a P/E of 34, could triple and still be sensibly priced.

Still, we would not want to abandon the margin-of-safety concept of the late Benjamin Graham, probably the greatest investment mind of the century. In other words, it is best to buy stocks at a discount.

The answer to this puzzle is to search for stocks that combine both growth and value: fast-growing companies that are underappreciated by investors.

A good place to start is with the portfolio Berkshire Hathaway Inc., run by Warren Buffett, a former student of Mr. Graham's. Timothy Vick, editor of Today's Value Investor, a newsletter whose title spills out its approach, recently noted that while Mr. Buffett's portfolio seems diversified, the bulk of his stock assets are tied up in five companies.

In fact, one-third of the \$36 billion worth of listed stock owned by Berkshire is in just one company: Coca-Cola Co., a superb example of a fast-growing corporation whose stock has languished.

Coke shares have fallen 30 percent from their July 1998 high, taking a pause that refreshes after more than quadrupling since 1994. Earnings have recently flattened out for Coke, and smart investors have knocked the firm's P/E down to 44. That is still about one-third higher than average for an S&P stock.

But Coke has a lot going for it, including what is arguably the best brand name in the world. The company's earnings have grown at an 18 percent annual clip for the past 10 years. The

Value Line Investment Survey expects growth to modulate to just 12 percent for the next five years, but that is still spectacular.

Even at a 10 percent growth rate, Coke's profits will grow by a factor of eight in the next 20 years, up to nearly \$12 per share. Coke now trades at \$62. That is a nice earnings return: nearly 20 percent annually (the equivalent of a P/E of 5).

Meanwhile, Dow Theory Forecasts, a sister publication to Vick's value letter, has crunched up its computers and come up with what it calls

JAMES K. GLASSMAN / ON INVESTING

momentum plays for value investors — in other words, stocks that combine growth and value.

The five best are these:

• Alcoa Inc., the giant aluminum company, increased its fourth-quarter profits by 15 percent on a sales gain of 27 percent. Long-term earnings growth, according to Bloomberg Business News, has been 10 percent annually, but the stock, down nearly one-fifth from its high, trades at a P/E of just 16. The dividend yield is an attractive 2 percent, and, based on history, the payout will double every five years.

• ECI Telecom Ltd. is a company based in Israel that does worldwide business and trades on the Nasdaq. It sells digital telecommunications equipment to large network operators.

ECI has posted impressive sales, cash flow and earnings growth over the last five years, writes the Dow Theory analyst. For 1999, profits should grow about 18 percent. Yet the stock trades at a P/E of only 16, based on those earnings estimates.

• Harrah's Entertainment Inc. operates 18 casinos in the United States and Australia. Although visitor volume in Las Vegas jumped 7 percent in December, gaming stocks continue to trade far below their highs — Harrah's is down 30 percent in the past 12 months — mainly because investors worry about overbuilding. Still, Harrah's has weathered problems before, and its historic earnings growth rate is 15 percent, except for a company that trades at a P/E of just 14 (or 11, based on 1999 projections).

• Mylan Laboratories Inc., the world's second-largest maker of generic drugs, faces a federal antitrust suit for allegedly monopolizing the market in lorazepam and clonazepam. The legal action has made investors anxious, too, but Mylan is a remarkable company whose profits surged 36 percent last year and have averaged 13 percent growth for the past decade. Despite the suit, Dow Theory estimates profit will increase 20 percent annually over the next five years, not bad for a company with a P/E of 24.

• Southwest Airlines Co., a longtime favorite of ours, is now the nation's fifth-largest carrier, last year carrying 53 million passengers to 53 cities. Value Line says that the company should benefit from entering new markets, including New York, with its super-efficient operation (a plane flies nine legs a day, twice the industry average). Profits have grown at a 23 percent rate for the past five years, and should increase 18 percent for the next five, according to Value Line.

Meanwhile, the stock trades at a reasonable P/E of 24.

Finally, AJ Frank, editor of The Prudent Speculator and a successful value-stock picker for 22

years, took issue with Alan Greenspan's comment before the Senate Banking Committee recently that stock prices are high enough to raise questions about whether shares are overvalued.

Questions, yes. Certainly, some stocks (mainly those without earnings) are too expensive. But others, Mr. Frank said, are not, and they just happen to combine growth and value.

But they are riskier than Coca-Cola and Southwest.

Mr. Frank cited Conoco Inc., the financial services holding company whose shares have plunged 40 percent in a year but whose long-term profit growth is 15 percent. The firm, which acquired Green Tree Financial last year, trades at a P/E of just 7, based on estimates for the year ahead.

He also likes R.G. Barry Corp., a micro-cap company that makes specialized footwear. After a solid history of profits, the stock has plummeted by half since July on a bad earnings report. The P/E is now a mere 6. Or what about Fruit of the Loom Inc., the underwear maker, which has fallen by two-thirds in a year, trades at a P/E of 7 but has long-term earnings growth of 13 percent.

Still, I prefer consistent sharks like Automatic Data Processing to such bottom fish. Does that sound like tossing in the towel? Maybe just a washcloth.

Washington Post Service

James K. Glassman's e-mail address is jglassman@ithc.com. He welcomes comments, but cannot answer all queries.

For further information:

• TODAY'S VALUE INVESTOR. Telephone: 1 219 832 3200.

• THE PRUDENT SPECULATOR. Telephone: 1 949 497 7677, or, toll-free in the United States, 1 800 258 7766.

• VALUE LINE INVESTMENT SURVEY. 1 212 907 1500.

Chile's Alternative to the Tottery Pension-Fund Pyramid

MANY government pension systems are pyramid plans. They rely on an ever-growing number of workers to finance the retirements of older people. This structure can only offer desirable pensions as long as the working-age population is growing. With the imminent retirements of the post-World War II generation, the demographic will work against these systems.

One widely admired alternative is Chile's pension-fund system. It is privately managed, requiring employees to deposit about 10 percent of their salaries into a score of mutual-fund-like accounts. The managers are closely regulated but are generally free to find the most lucrative investments.

Returns in equity accounts have been in the range of 13 percent a year since the program began in 1981, far better than most state pension plans.

In a way, they have to be. Many

agers have to make up the difference if their funds underperform the industry averages by more than two percentage points in a given year.

There has been a recent spate of merger activity among the authorized funds.

Aline Sullivan met with Jaime Loayza O'Connor, head of financial operations at Provida S.A., the biggest fund in Santiago, to discuss developments in the industry.

Q. The merger of Provida and Protección S.A. created Chile's largest pension fund. What do you think is the driving force behind this amalgamation?

A. It costs almost as much to run a \$500,000 fund as it does to run a \$5 million fund.

There are big savings to be made by combining branches, notably on labor and real estate costs. In this difficult market, saving money is

easier than making it.

Q. Do you believe, as some investors say, that Chile's pension-fund penalty rule discourages innovative fund management?

A. I am not against the penalty. The biggest problem in Chile is liquidity and the penalty serves as a stop-loss mechanism and as a way to manage volatility.

After all, we are investing people's pensions.

Q. Some Chilean fund managers have been pushing for an increase in the proportion of assets allowed to be invested outside the country. But the regulators seem reluctant. What is the situation?

A. People here are very conservative. But many understand that it is better not to keep all one's eggs in one's nest.

We are now allowed to invest 16 percent of the fund outside Chile.

Q. Some Chilean fund managers have been pushing for an increase in the proportion of assets allowed to be invested outside the country. But the regulators seem reluctant. What is the situation?

A. All told, 82 percent of our fund is invested in fixed income and 18 percent in equities, mostly in Chile. Only 4 percent is invested in foreign equities.

We need to be cautious because we can hardly tell people that we lost

and that figure should soon rise to 20 percent. After that, who knows?

I can imagine that someday we will be able to invest wherever we want.

Q. Even that 16 percent figure is new: Provida has been investing in equities outside Chile for only a year. For now, how is it working with these investments in other countries?

A. It has gone well so far. But we are now very bearish on the U.S. market. We expect a big correction soon. We just took out the 5 percent of the fund that we had invested in U.S. equities and are keeping it in cash for the time being.

All told, 82 percent of our fund is invested in fixed income and 18 percent in equities, mostly in Chile. Only 4 percent is invested in foreign equities.

We need to be cautious because we can hardly tell people that we lost

all their money in Thailand just after we were allowed to invest it abroad.

Q. Some investors argue that Chile should not be lumped with the other Latin American markets, or with emerging markets as a whole, partly because it still has a trade surplus and partly because its markets are more developed. Do you agree with this view?

A. Chile's star peaked in 1995, after the rest of Latin America peaked in 1994 and then crashed.

But Chile should not be seen as a safe haven, even within Latin America. Make no mistake about it: Chile is an emerging market.

We are very bearish on Chile now. A big recession is coming and there isn't much we can invest in right now.

We want to invest in hell right before it takes off. But Chile, like most of Latin America, is still heading down.

BRIEFCASE

Funds That Marry 'Cheap' and 'Good'

Wesley McCain and Jeffrey Sanders are not the kind of investors who like to visit companies, talk to management and count how many cars are in the parking lot before they buy a stock.

"For many analysts, the unstated purpose of visiting companies is to get inside information," Mr. McCain said. "Our perspective is that it is discernably a series of nonrepeatable, nonquantifiable, not easy-to-test hypotheses that surrounds all the information that you get."

Or, as Mr. Sanders put it,

"If you visited the same company on two different occasions, even if things hadn't changed, you could get two different stories or reach two different conclusions from the same story."

Eschewing fundamental analysis, what Mr. McCain and Mr. Sanders do is invest by the numbers. "We visit the data, not the companies," their literature says.

If their approach appeals to you, you can invest with them through separate but similarly run families of mutual funds: Life and Eclipse, both under the banner of Towneley Capital Management Inc. The Eclipse family are domestic U.S. mutual funds, while Life has an offshore hedge fund and a domestic U.S. partnership available to qualified investors. Unlike the Eclipse funds, Life sells short in addition to buying stocks.

Besides investing in the funds, you can also have a go at some of the stocks they recently bought or sold short, thanks to the list they provided here.

They also provided some insight into their strategies. In general, Mr. McCain said, they look at operations and valuations. For a company to make their buy list, its operations — such as sales and earnings — have to be improving, "which means they were probably deteriorating" in the past. Their shorts, naturally, run in the opposite direction, with deteriorating fundamentals.

Mr. McCain said they also look at a company's sales in relation to its assets. A newspaper stand, for example, might "turn" its assets twice a day, generating high sales

The Long and Short of It

Longs	Stock (Ticker)	Date Purchased	Purchase Price
Shorts	Stock (Ticker)	Date Purchased	Purchase Price

volume relative to its capital but with small profit relative to that revenue. By contrast, a utility might take years to generate sales equal to its assets, but its profit margin would be much wider. By comparing asset turns and profit margins to industry averages, Towneley looks for companies doing better than their peers.

Along with improving operations, known as "goodness," at Towneley, there is also "cheapness." "Shorts have to be cheap," Mr. McCain said. The determining factors are things like a stock's price relative to the company's book value or cash flow and its overall market valuation.

This approach tends to put the funds in the contrarian camp, purchasing out-of-favor companies that are beginning to get their acts together. It also keeps them firmly planted on Wall Street, where U.S. accounting and financial standards guarantee there will be enough data to go on.

Their approach is also more amenable to big companies with long track records than newer corporations, but Eclipse offers a small-capitalization value fund. Last year, that vehicle, which recently changed its name to the Eclipse Small Cap Value fund returned a modest 3.40 percent, better than the nearly 3 percent decline in the Russell 2000 index against which it measures itself but disappointing when measured against the double-digit returns of the Dow Jones in-

ustrial average and the Standard & Poor's 500.

Still, long-time shareholders may have been tolerant of a fund that returned 20 percent in 1995, 30 percent in 1996, 33 percent in 1997.

The Eclipse Mid-Cap Value fund, which has a four-star rating from Morningstar Inc., had a better 1998, with a 10 percent return. The Life U.S. partnership, Mr. McCain and Mr. Sanders said, returned 9.03 percent last year and about 20.52 percent annually over the past five years. The offshore fund, which was started in November 1996, returned about 13 percent last year and about 28.5 percent from inception through the end of 1998.

The funds do not churn their portfolios. The overall strategy requires that stocks be held for at least four quarters, and Mr. Sanders said "we'd like to keep them forever."

FOR INFORMATION ON THE LIFE FUNDS AND TOWNELEY INDIVIDUALLY MANAGED FUNDS, CALL 1 212 686 4100, OR VISIT THE WEBSITE AT www.lifeandeclipse.com. Eclipse also has a Web site at www.eclipsetf.com.

Euro Slow to Spur Price Convergence

One of the benefits of a single currency in Europe was supposed to be transparency and convergence in the way goods and services are priced throughout the 11-nation bloc. Before the euro, only shoppers with calculators and too much time on their hands could determine

whether something cost more in one country or another.

So far, pricing convergence has been minimal and limited to certain industries in certain countries, according to a round of surveys intended to test the convergence hypothesis.

Ian Scott, an investment strategist at Lehman Brothers, said survey evidence suggests that the greatest convergence across Europe had occurred in manufactured products bought by industrial users.

Pricing differentials have narrowed somewhat in consumer goods, he said, but very little in services, in particular financial services. For example, insurance is relatively expensive in Italy, Spain and Ireland, yet prices rose faster there last year than in other parts of Europe, he said.

Another survey of European prices also found overwhelming evidence of convergence. Researchers at Deka Europa studied the pricing of 78 car models last May and again in November. They noted that "price differentials within Euroland have

EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

A New Start for Germany

In his brief tenure as Germany's finance minister, Oskar Lafontaine often seemed to be running a government of his own, one that was determined to raise corporate taxes and resist pressures from international capital markets. It was a struggle he was likely to lose in any case, and it is probably best that he chose to resign Thursday, after less than five months on the job.

The advent of the euro currency has increased pressures on European governments to lower business taxes to attract employers who can easily relocate. But Mr. Lafontaine swam against the tide, proposing to raise taxes on German businesses and to force other countries in Europe to do the same.

—THE NEW YORK TIMES

Embraced by NATO

This was a good day for the West. On Friday, NATO — the military alliance that kept its members stable, prosperous and free through the Cold War — took in Poland, Hungary and the Czech Republic, long unwilling members of NATO's now extinct communist counterpart. At Independence, Missouri, the three formally moved out from behind the liberty-crushing side of a vanished East-West divide, recreating a good part of a single, culturally Western and peaceful Europe and projecting stability and democracy eastward. Not a bad day's work.

Of course, for the three, it is not over. With the initial glow gone, the elites seem more enthusiastic than the public to rejoin the West in this decisive fashion. There is no visible threat of the sort that would trigger NATO's core pledge of collective defense, though nearby in the Balkans lurks trouble enough to compel long-term NATO peacekeeping. It will take the three perhaps 10 or 15 years to bring their military capabilities up to alliance standards. They will be hard put to pay for minimal first-pause improvements in communications, intelligence, air

—THE WASHINGTON POST

An Olympic Riddle

The business and political establishment of Salt Lake City, Utah, has portrayed the bribe-giving involved in securing the Winter Olympic Games for 2002 as largely the handwork of two rogue executives. Both of them, along with several board members, have resigned. Virtually everyone else involved in Salt Lake City's bid efforts was supposedly unaware. But documents obtained and interviews conducted by New York Times reporters strongly suggest otherwise.

Paperwork from the accounting firm of Ernst & Young indicates that senior bid committee officials, including top officials of Utah corporations, were briefed in 1995 about questionable payments. That is an assertion these business leaders deny. Disturbingly, documents that might resolve this dispute — namely, minutes and handwritten notes taken during bid committee meetings in 1994 and 1995 — were destroyed by the committee's law firm. The law firm, in turn, says it does not know who gave the order

—THE NEW YORK TIMES

Other Comment**America and Europe**

If the European part of NATO raises its eyes beyond its own borders, and sees what will probably happen out there in the next generation or so, it will understand why it still needs America and — even more important — why America increasingly needs Europe.

The one-superpower world will not last. Within the next couple of decades a China with up to 1.5 billion people, a strongly growing economy and probably a still authoritarian government will almost certainly be trying to push its intervention eastward into the Pacific and westward into Central Asia, whose oil and gas this energy-poor China will badly need. Sooner or later some strong and honest man will pull post-Yeltsin Russia together, and another contender for global influence will have reappeared on the scene. The Islamic superpower that nervous people predicted a few years ago will probably never come into being, but the Muslim world will certainly continue to produce localized explosions of ide-

—The Economist (London).

Lafontaine and the Euro

The protracted weakness of the euro may now be over. Oskar Lafontaine's daily demands for lower interest rates have been the biggest single factor undermining the authority of the European Central Bank and driving down the currency. If the euro now recovers, it will be a boon to British manufacturers suffering from the high pound. But there is a faintly disturbing side to this, too, for it is evidence that the fortunes of the euro are driven by the internal policies of Germany, indeed, by the internal ructions of a single German party.

—The Daily Telegraph (London).

Keep a Level Head Over Engagement With China

By Tom Plate

LOS ANGELES — America, with its vast technological accomplishments — viewed by U.S. business as proprietary information and by the U.S. military as national security material — offers inviting targets for spies. The latest espionage case involves spying by China. The allegation focuses on a computer scientist described by the media as a Chinese-American at the Los Alamos National Laboratory in New Mexico. The accusation is that he gave Beijing secrets about nuclear warheads.

Any deterioration of U.S. technological advantages can erode the bedrock of U.S. military security. But especially troubling in this instance may be the Clinton administration's apparently lethargic response to the initial suspicions about the Los Alamos scientist. If there was an incompetent security response, not to mention a cover-up, the American people should be told about it via an appropriate congressional probe.

Is U.S. national security secure enough? Spying is not only one of the oldest professions but also, in America, it does not even appear to be one of the more difficult. It is such an open society that everybody, friend as well as foe, does it to America.

Here are some recent spying highlights: In 1996, an FBI veteran got nabbed after years of passing secrets to Russian intelligence; that same year, a former National Security Agency staffer was collared for spying. Two

years earlier, a CIA official admitted to spy activities for Moscow that had led to the deaths of U.S. agents over the years. In 1986, a navy officer was convicted of spying for a longtime ally, Israel. And these are just the known cases.

So what's new? Certainly not spying by China, which respects U.S. power in Asia and dreams of rivaling it someday. In 1986, a CIA translator was convicted of having worked for Beijing for decades. Two years ago, a U.S. physicist admitted giving China classified laser data. Even today, no doubt, there remain Chinese moles buried in the United States, as well as double agents from other foreign services. But perspective must be maintained. Let us not make the mistake of letting a spy scare mushroom into a "red scare."

Beijing can field only a handful of missiles against a phenomenal U.S. arsenal that includes a full fleet of nuclear submarines, strategic bombers and 500 long-range missiles. As Vice Admiral Dennis Blair, the new U.S. Pacific commander in chief, bluntly put it in testimony before Congress: China is not a military threat to U.S. interests. It will be many years before the People's Liberation Army presents a major challenge to U.S. forces.

"What is extraordinary," commen-

ted Richard Baum, a China scholar at the University of California, Los Angeles, "is not the fact that some Chinese nationals snoop around American research labs trying to pick up technical information on the cheap, but that some American journalists, politicians and congressional sides seek to portray such activity as a massive, coordinated Chinese government assault on American security. They whip up a red scare that is far out of proportion to the problem's actual dimensions and then use the resulting, self-generated hysteria as a club with which to attack the Clinton presidency."

Indeed, this latest communist scare, surely to be wrapped into one big frightening bundle by Congress, could damage Bill Clinton more than the uproar over Monica Lewinsky ever did.

"The point needs to be made," said Stan Rosen, a China expert at the University of Southern California, "that China, the U.S. and everyone else is constantly engaged in such activities. The issue is how serious this case is and how we should protect those military research labs while still maintaining an open society."

Security worries about technology transfers to China are not unique to Mr. Clinton. In 1983, President Ronald Reagan made the decision to let China buy an advanced computer. Was Mr. Reagan really so naive about communism?

America looks to be gearing up for

a major bout of anti-Communist anti-China hysteria.

A patriotic former U.S. secretary of state advised in his 1993 memoirs: "We should avoid the extreme shifts in American attitudes toward China that have characterized much of our past relationship. We had a tendency to become euphoric at times and then, when events did not go as well as we expected, to become depressed and to overreact. The swings in the pendulum were too exaggerated."

That was George Shultz, Mr. Reagan's secretary of state when technology transfers to China were approved. With Congress gearing up to jump into the China issue, and a presidential campaign on the horizon, that pendulum is about to swing back with a vengeance.

This prospect frightens Asian leaders. They insist that the most important contribution Washington can offer Asia is a stable, nonconfrontational relationship with Beijing. But such a prospect may be waning, and they worry that a decline of common sense in discussions about China will trigger new tensions between Beijing and Taipei, lead to more dissident roundups and perhaps ... will even pressure Japan into rearmament gestures, if not steps.

So let's get to the bottom of the China spy story. But let's not jettison engagement until we are extremely certain there is absolutely no other alternative.

Los Angeles Times

A Military Culture Where No One Is Held Accountable

By William Pfaff

NEW YORK — The court-martial acquitted this month of a U.S. Marine Corps pilot whose low-flying aircraft cut a ski-lift cable in Italy, killing 20 people, provided a disturbing glimpse of modern U.S. military culture.

The court was unwilling to find culpability in the pilot's conduct. The commanding officer of the pilot's unit has been transferred, and the squadron safety officer reprimanded, but it seems that the buck stops there.

This is, however, a better performance than in some earlier instances, such as the Beirut bombing in 1983 and the Iranian airliner incident of 1988, in which no one seems to have been held responsible, but it contrasts with the "oo excuses" culture of the U.S. military before the 1960s.

An officer then was held accountable for everything that occurred under his authority, even when he was personally without fault. It was taught in officer schools that the only correct response to a criticism or failure was "no excuse!"

This culture often produced

were punished for episodes beyond their actual control. But that accountability greatly focused the minds of commanding officers.

Since then, the goal of "zero faults" has been substituted for "no excuses," resulting in a situation where faults are held to be inadmissible.

No one was held responsible in the Beirut bombing, which killed 241 Marines. President Ronald Reagan instead said that he accepted responsibility — a meaningless gesture.

No one in the U.S. Navy's chain of command was punished for shooting down an Iranian airliner, with 290 aboard. It was held an accident that the aircraft was mistaken for a fighter plane.

No one was held responsible for the poor security that allowed 19 Americans to die in a Saudi Arabian bombing in 1996. Because the commander was an air force officer, it was said that he could not have understood problems of ground security.

In November, the British Army Review published an analysis of the U.S. military

culture, "Risk Aversion and the Zero Defects Culture," by an officer of the Royal Tank Regiment. His article describes how a "no excuses" culture evolved into an irresponsible and conformist culture of risk avoidance and denial.

Lieutenant Colonel D.T. Eccles explained that his purpose was to warn his own service of an "insidious process" that could take hold in the British Army, producing characteristics of behavior assigned to the U.S. military today.

First is an obsessive concern with the physical security of troops (with roots in the Vietnam War, confirmed by the army's Somalia experience). Every U.S. mission is planned so as to avoid any risk of losses. In Bosnia today, U.S. troops live in secured and barred encampments, leaving only in groups of four vehicles; the soldiers in combat gear and helmets, bearing weapons. All this, the colonel wrote, produces an atmosphere of tension and fear.

Moreover, he wrote, the U.S. officer corps is ruled by politi-

cal correctness. Promotions, he said, seem based not on real capability, but on racial and gender criteria.

Finally, the fear of making an error that could invite media attention or be criticized as an abuse of privilege has become "paralyzing." Thus, he wrote, a "systematic conformism" prevails. Independent judgment and serious intellectual debate are exceptional, so that, in public, "a total and unhealthy consensus prevails."

Evidence supporting this British diagnosis was recently provided in a New York Times article by Lucian K. Truscott 4th, a writer on military matters and member of a distinguished American military family. The "zero defects" policy, formerly applied to equipment and training, now applies to careers, he wrote.

This differs from a "no excuses" policy, which holds commanders responsible for their command. The new policy rates officers for promotion. One need not be a hostile commanding officer to end a career. This means, as a former officer is quoted as saying, that "everyone

seems afraid to take the slightest chance at making a mistake."

Thus a policy meant to improve the standard of officers is driving the better ones, as well as the worst, out of the service, and imposing upon the rest a conformism directly opposed to the independence of mind and initiative needed in military command.

When the United States had national military service, the services were not closed and self-serving corporations. Large numbers of civilians temporarily in noncommissioned and commissioned ranks brought with them civilian attitudes and openness of mind.

A former army chief of staff, Fred Weyand, once wrote that the U.S. Army "really is a people's army in the sense that it belongs to the American people who take a jealous and proprietary interest." He added, "It is not so much an arm of the executive branch as it is an arm of the American people." That quality has been lost, and the U.S. military services are the worse for it.

International Herald Tribune.

Los Angeles Times Syndicate.

Israel's Symbol Deserves Recognition by the Red Cross

By David A. Harris

NEW YORK — When one thinks of the Red Cross, what comes to mind? Most of us see dedicated individuals, renowned for their courage and compassion, helping people desperately in need of assistance. The international movement's bright red emblems are synonymous with hope and relief around the world.

Discrimination, exclusion and rejection are not words usually associated with the International Red Cross. But in at least one instance, they should be.

For more than 50 years, Magen David Adom, Israel's national counterpart to the American Red Cross, has been denied full and equal mem-

bership in the International Federation of Red Cross and Red Crescent Societies, comprising over 150 national groups. Magen David Adom has been excluded solely because its emblem is a red star of David, not the cross of Christianity or the crescent of Islam.

Since its founding, Magen David Adom has unquestionably upheld the most exemplary traditions and values of the federation both within Israel and abroad. Recently, it was part of the highly trained Israeli rescue and medical teams sent into the wreckage of the U.S. Embassy in Nairobi. Arriving just hours after the terrorist bombings, the Israeli rescue workers, bearing the red star of David, were credited for their professionalism and life-saving efforts.

So why is Israel the only country in the world whose humanitarian emblem has ever been formally rejected?

The founders of the International Red Cross actually refused to operate under the banner of the cross or the crescent, choosing instead the ancient symbol of the Jewish people. But the International Federation of Red Cross and Red Crescent Societies refused to recognize the red star of David.

Despite the fact that Magen David Adom meets all the other criteria and conditions for full membership, the Israeli group to this day holds only limited "observer" status in the federation. This denial of membership translates into reduced cooperation and coordination for its efforts, less financial support and the inability to vote on key issues pertaining to the federation's activities and policies.

Such blatant discrimination

is unacceptable and must be changed. The next meeting of the federation, scheduled for October, offers the perfect opportunity to remedy, once and for all, this outrage.

Fortunately, Magen David Adom has an ally in the American Red Cross, which has accepted, de facto, the star of David as a symbol of humanitarian relief, and has encouraged other national societies to do the same.

Securing international recognition of Israel's symbol — or, alternatively, creating a truly universal symbol for the Red Cross that is devoid of religious significance and is acceptable to all parties — is by no means unattainable.

Ultimately, the International Federation of Red Cross and Red Crescent Societies needs to be reminded of its own founding principles of universality, morality and civility. Politics has no place in the international humanitarian arena.

The writer is executive director of the American Jewish Committee. He contributed this comment to the International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO**1899: Emperor's Game**

PEKING — The Emperor is still in close confinement in the south-west corner of the palace.

His chief amusement is the training of goats and monkeys. The former he has, by dint of much patience, taught to do tricks of every kind. One is to jump through the paper windows which are found everywhere in China, from palace to cottage. The Empress Dowager complained of the expense of having to replace the breakages.

In this age, when the line between entertainment and news has disappeared, it is not what you do on principle that matters. It is simply how famous — or even better, how infamous — you are. Disloyalty, not integrity, is how you get ahead in this era.

You don't want to fall on your sword, you want to put it in your boss's back.

The New York Times.

You don't want to fall on your sword, you want to put it in your boss's back.

The New York Times.

1949: St. Patrick's Ban

NEW YORK — Mayor William O'Dwyer has denounced the reported action of the Northern Ireland government banning St. Patrick's Day parades.

The mayor, speaking at a meeting of the United Irish Counties Association, read a cablegram from members of Parliament informing him of the ban. The mayor termed the reported action "intolerant" and a "denial

to the people."

Herald Tribune

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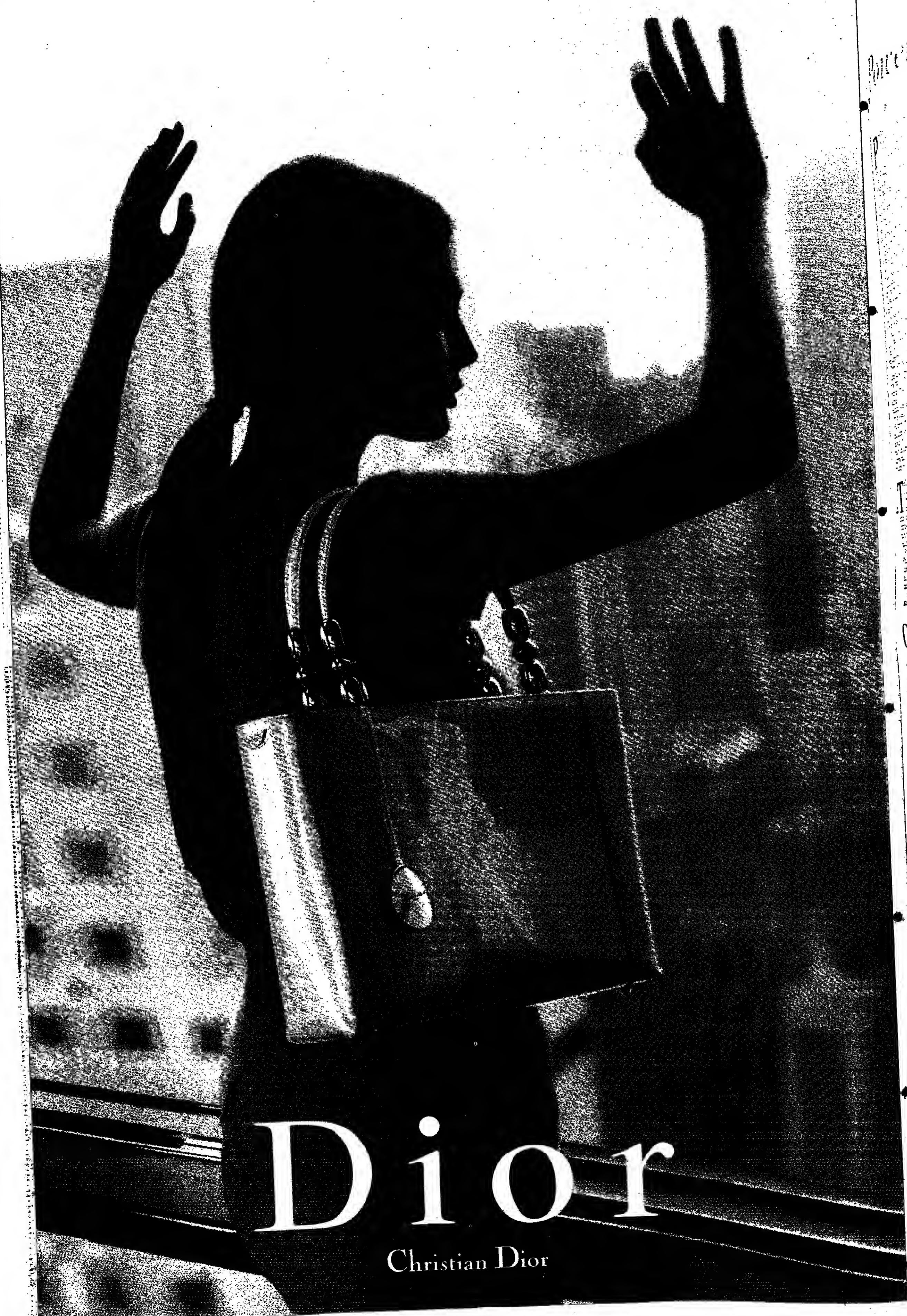
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PAGE 11



COURTESY OF VOGUE ITALIA



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Fashion

Powerful Chanel Lands Back at Mission Central

By Suzy Menkes

PARIS — Phew! After a few seasons on another planet, Chanel has landed back at fashion's mission central: dressing women in a chic but easy modern way for here and now.

As 80 models walked the landing strip of a runway with 1999-2000 picked out in giant silver figures, the tiny jackets, slim silver skirts and flesh-colored flat leather boots strode effortlessly toward the new millennium.

"We have to dress people for now — no one's going to the moon," said Lagerfeld, after he had raced the photographers and his army of black-and-white clad models backstage.

Everything at the show was back on track, from the luxurious fabrics (rather than futuristic synthetics) through the snug zippered jacket, shoes and bags that Chanel is calling its signature or "identification" pieces.

Sure, the models had weird Gothic wigs and bold silver chain belts with chunky crystal rocks, but the rest of the show was just touched with Luke Skywalker's Light Sabre in its silvery gleam on leather or starry edging to a coat.

So back to earth — but also back to the body and to a real wardrobe based on tailored pieces, instead of the militaristic sportswear which has been Lagerfeld's recent look.

There were more inventive jackets on the Chanel runway than in the rest of the fall Paris shows: put together: cute curvy shapes given geometric precision with welted seams; jackets sculpted in blue or wine-colored felt; in shearing, with fury seams; or in aerated tweed worn as sweater sets.

But forget the jacket as half a suit. These were stand-alone pieces, as were the coats, sometimes cut with a fold in the back in an expertly executed nod to the current blanket wrap. They went with narrow pants while the tiny tops partnered wider trousers with a fluff of mohair at the ankle.

THIS was not a fashion breakthrough, but Lagerfeld made Chanel seem fresh and new with unexpected fabric mixes, playing off the silver gleam with evening outfit that mixed dense black felt with mat chiffon — one sculpting, the other draping. Even the color palette, with its organic/positive focus, had gone back to Coco.

With two strong collections at Fendi and Chanel in one season, it looks like Lagerfeld has faced off his futuristic visions and decided to use his intellect, experience and mastery of technique to address what women want and need.

But won't clients miss those Chanel logos that are not visibly part of the new look?

"I loved it all — the mixes, the way it flowed and that nobody tripped on the runway," said Mouna al Ayoub, who had the letters "Chanel" dangling from a gilded chain round her shapely midriff. Will she wear the new rock a chain or those Gothic silver finger rings? Couture's favorite client patted a hulge in her glove. Some people have pet rocks of their own.

Where Chanel moved on, John Galliano stood still. And although it is painful to say it, the magic is fading from his shows. For everything, there is a time and a reason. And this is just not the fashion moment to send out tribal blanket coats, gorgeously worked with quivering feathers though they might be — on a creatively chaotic construction site set containing heaps of rubble, shards of glass and hunkly hard hat types with muscular knees.

It all seemed so overwrought, what with a cartoon African theme bringing zebra boots and grass-skirt fringing, and a model apparently high on Viagra cozying up to her crocodile handbag, when she was stroking her taut knitted suit and ogling the construction workers.

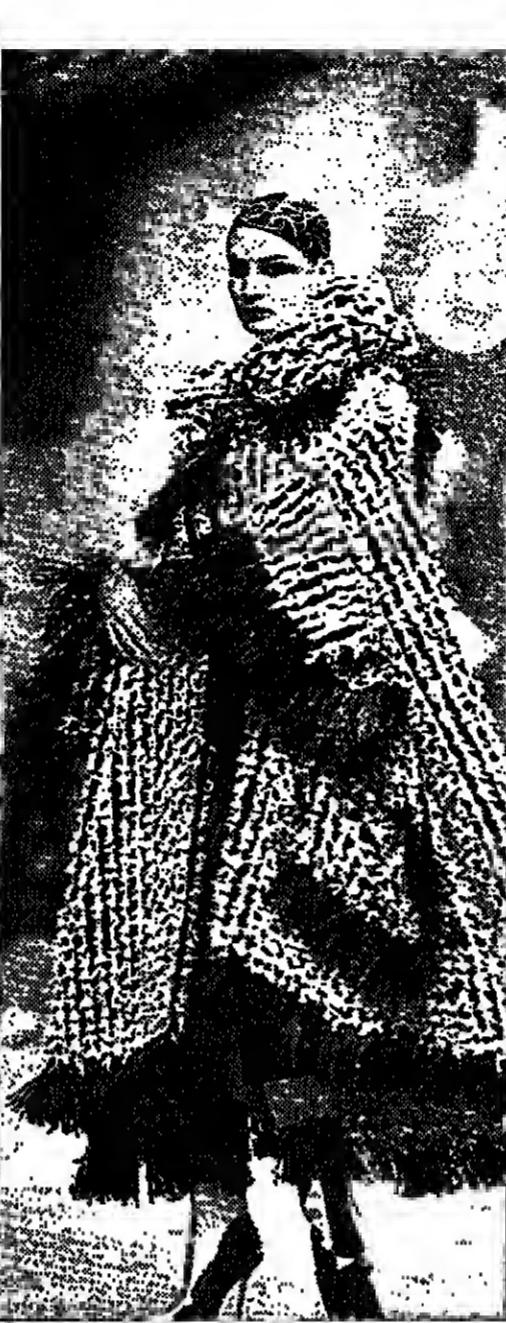
WHAT the various themes had in common was anyone's guess. They could have been abstract fragments of previous Galliano shows — just as the clothes were. The finale of slithery cranberry-colored bias-cut gowns was a souvenir of everything the designer stands for: elegance, romance, superb cutting and female sensuality. A wacky trench coat wrapped as a skirt expressed both Galliano's brilliant imagination — and his problem in scaling that down into something normal folk might wear.

Apart from narrow knitted pieces — the snaking lilac dress or skinny two-pieces — the clothes exuded melodrama. Who even a huton is a horn disc stitched with raffia and jade jewels are the size of plastic soap dishes, no wonder the models had to hold themselves like giraffes, necks emerging from the cocooning coats in black and white geometric patterns, a leather skirt spilling over the floor, boots worked in fretted leather.

Feathers were a constant theme, worked in Birds of Paradise colors or as snowy tufts on a white coat. The workmanship on a gauzy skirt embroidered with raffia was so exquisite that it rivaled anything that Galliano has done for Dior couture and proved how hard he must have worked at this collection. *C'est magnifique*. But it is not ready-to-wear. Although Galliano's delirious decadence has enriched the end of the century, this fin de siècle is nearly done. And fashion is looking for a fresh start.

That wake-up call rang out clearly at the

Continued on Page 15



Christopher Moore/Andrea Thomas

Children and the Cult of Celebrity

The Real Fashion Victims Today Are Lolita's Age

By Katherine Knorr

PARIS — When Calvin Klein was criticized last month for an ad featuring small children in underwear, it wasn't just more of the courage that has greeted so many disturbing fashion images — notably skeletal models in tiny undies.

The marketing of clothes — some of them pretty raunchy — to children and pre-teens raises all sorts of issues about what clothes "mean," and about the influence of the vast network of popular culture salesmanship and the sickening cult of celebrity. It is ironic that, as fashion enters the third

COMMENTARY

millennium, clothes for grown-up women have become positively genteel, with the twin set seeming ubiquitous and even the bad Brits toned down. It seems the real fashion victims now are Lolita's age.

Fashion is so self-referential and its cycles so short that a lot of the "content" of fashion has disappeared; that is, nothing today has the political impact of '60s near-nudity, or shirts made out of the American flag. Bra burning? Huh?

Fashion no longer tells us women are becoming more independent or men are getting in touch with their inner child, or little girls, God help them, are running with the wolves.

And fashion, dipping into the world of uniforms and utilitarian clothing, blurs class lines in a dizzying way; expensive ready-to-wear drawn from ghetto threads; sportswear morphed into evening clothes; Casual Friday vs. the suit. And of course middle-class teens dressed in their own sad rags uniforms: Think back to the farmboy look, which horrified so many American parents in the late 1960s and early 1970s who had grown up on Depression-era farms and fled them for college degrees and serious desk jobs, and could not understand why their children started wearing baggy overalls and baggy T-shirts and looking pretty much like the Beverly Hillbillies (this was Father of Grunge).

ALL THIS makes sense in societies with soaring stock markets where the social fabric is money. In fashion the social fabric is just that, fabric. All of us in this way invent ourselves like Jay Gatsby, with, one hopes, better results. In that sense, fashion helps to create some kind of melting pot. But sometimes this also puts the culture into a serious state of cognitive dissonance. When it comes to children, however, what fashion "means" does become more prominent. An 11-year-old wearing come-hither clothes isn't in the same position as a 25-year-old. She is being used, in what would seem the most cynical way, to sell not only clothes but synthetic popular music groups and goofy animated movies.

The only real customers for the extraterrestrial floozy look of the Spice Girls or the irredeemably commercial tie-ins of



Christopher Moore/Andrea Thomas

those movies are little girls. Clothes catalogues sell skintight two-piece outfits (bra and pedal pushers) advertising the boys band 2 Be 3 (the Chippendales for the pre-teen set) to 10-year-olds. The boys in the hand are bare-chested. The little girl models strike alluring poses.

Marketing to little people is nothing new, of course, and Saturday morning American TV early on specialized in telling children to tell their parents what to buy. But the marketing of clothes is something else.

IF CLOTHING has lost its "goddess" breakdown — if it no longer separates the blue and the white collars, the ghetto and the country club — it has not lost its power to disturb when it blurs the fine sexually. The decadent pictures of willfully androgynous models, of anorectically thin and sickly young models, of "heroin chic" — none of which has gone away despite lots of noise to the contrary — seem to have paved the way toward breaking the ultimate taboo: children.

This isn't selling Barbie dolls, this is selling the Barbie doll look to girls in grade school. At the same time as Barbie herself turns 40 and is being reissued with a more realistic body, we're making little girls into disturbing erotic figures.

There are shades here of Jon-Benet Ramsey, the 6-year-old "beauty queen" who was murdered in late 1996. Magazines everywhere immortalized a little girl dressed not as an adult but as the beauty pageant version of a courtesan, sort of "nouveau courtesan."

It's difficult to judge how much of this tacky costume party is harmless, just more of the waves of popular culture that we can't, after all, do anything about. There is an argument that the reason only adults are shocked by these things is that kids have an elaborate but complicated relationship with truth and fiction that allows them to put on faces and costumes without absorbing the associated behavior. They can play cowboys and Indians without becoming killers and they dress up as showgirls just as they would dress as princesses.

Maybe it is, after all, just the old game of putting on Mom's clothes — except it's hard to believe Mom would ever wear these clothes.

Way back when, before the sexual revolution and the Me Generation and some of the other emphatically boring phenomena of the end of this century, school uniforms or smocks served laudable purposes: They protected street clothes, they made children look studious (this is actually useful in a clothes-make-the-man kind of way), and most important perhaps they avoided keeping-up-with-the-Joneses clothing competitions. As fashion recycles the greatest hits of the last 50 years, it's high time for a comeback: Call it the Return of the Nice Kid.

KATHERINE KNORR is a deputy editor of the International Herald Tribune.



SPORTMAX

FASHION / A SPECIAL REPORT

In Japan, the Allure of Feet

There's but One Rule for Footwear Here: Display!

By Kaori Shoji

TOKYO — When the Japanese talk about female sexuality, the one thing everyone agrees on is the allure of feet. For more than a millennium, women's feet and footwear have played a major role in defining femininity. Fifteenth-century samurai warriors picked concubines by their feet, often without bothering to inspect the rest. In 19th-century Edo (old Tokyo), presenting a woman with sandals was the prelude to any sexual relationship. And until about 30 years ago, Kyoto geishas treated favored clients with the sight of their bare feet.

The Japanese see feet as an entity independent of the rest of the body. Consequently, the shoes they wear don't follow conventional fashion rules. They have never heard the adage about choosing your shoes to go with your handbag. An otherwise perfectly dressed woman, à la Grace Kelly with a sleek Hermès handbag slung over one arm, could be wearing a clunky pair of engineer boots over seamed stockings. Or a girl with flame-red hair, punky T-shirt and leather micro-miniskirt, could be strolling daintily in Chanel pumps. When it comes to footwear, the Japanese abide by just one rule: display, display, display.

The rage this winter was the "sock boot," a snug pair of soft platform boots made to hug the calves. Sock boots belie their humorous name to exude naughty sexuality — think of them as velvet or suede panty hose attached to five-inch heels and get the picture.

Sock boots show up women's feet in a way that matches perfectly the Japanese ideal of what those feet should be: narrow, small and oh-so-fragile. They are also a killer for walking, and the novice wearer will end up looking like someone who has tottered onto a skating rink for the first time. Supposedly, this adds to the charm since the Japanese like feet that drag when they walk. This is a holdover from the days when bare feet swished on the hardwood floors of a samurai's castle, a sound that symbolized the highest form of feminine eroticism.

In Tokyo, one sees young women walking shakily in their sock boots, dragging their heels, but conscious of the power they have and the stares they attract. These same women experimented with the image this winter by combining the boots with knee-length schoolgirl coats in navy blue or white, knapsacks secured firmly to their backs. The overall effect was Lolita With an Illicit Afterschool Job, and this is the kind

of thing that Tokyo women do best. Also supporting the sock-boot syndrome is the national conviction that socks are sexy. (Note that the loose, white cotton socks worn by high school girls are the single most outstanding metaphor of teen sexuality.) Back when kimonos were the norm, feet were encased in white slip-on socks split at the toes. For a woman to show them outright was an invitation, a highly suggestive gesture.

Yosuke Hattori, a clothing critic and a professor at Tamagawa Gakuin University, says that women in sock boots are consciously, or unconsciously, catering to this age-old male fantasy. "In many ways, socks are more erotic than shoes or bare feet. There is an aura of mystery and tease. All the better if the socks are white because that is a color for purity and innocence. Put everything together, and it is an irresistible combination."

Hattori adds that footwear is a subtle and sophisticated form of Japanese eroticism. "With other clothing, the sexuality is upfront and obvious. But Japanese footwear is more complicated, its attractions more elusive. The messages they send out require some decoding. Women find it easier to experiment with shoes, or be bold about them. Fashionwise, I think it is where designers run up against the biggest difficulties."

Indeed, the designer Yohji Yamamoto has said that shoes have always been a major headache for him: "Pumps and the more obvious forms of women's footwear repel and frighten me. Women's sexuality should be more mysterious and hidden. I guess this conviction is what drives me to design shoes."

SHOS are often the last (and most dramatic) word on the runways, turning up unexpected results. Keits Maruyama, known for his spiritual and romantic collections, astounded critics with his modern-day rendition of wooden sandals originally worn by high-class prostitutes in the Edo Period.

But after a long winter of playing Wicked Stepmother, women are now choosing comfort over avant-garde sexiness, and designers are sitting up to pay attention. Camui, a spinoff operation from the domestic brand Himiko, has come out with liquid-packed soles, designed to soften and absorb the hard impact between foot and street.

The ultra-narrow, square-toed clogs from Prada (which one fashion magazine dubbed "the elegant torture machine") that made the wearer grit her teeth in agony, have made way for rounder edges, roomier interiors and softer materials. Brands



Socks are considered the ultimate teaser.



Above and below, the rage for sock boots.



Patterned socks and high-heeled clogs.

like Zucca and Comme des Garçons put felt ballerina slippers on their shelves, setting the tone for an innocent and relaxed ambience. Foam platform heels are the new "in" item — calculated to both cushion the arches and offset the long, flowing skirts reputed to be this summer's biggest item.

And what constitutes the ideal pair of feet? Smallness, smoothness, pale as the moon.

For all the historical subtexts, there are those who say that women's shoes in Japan will never reach Western levels of sophistication.

The television commentator Miyako Hashimoto points out: "It is not a question of custom, but more of environment and psychology. There never will be a Salvatore Ferragamo or a Charles Jourdan here. None of the designers understand elegance, wit or true comfort in shoes. And if they did, the Japanese female physique is not up to wearing them. We're doomed to keep wearing, and worshipping, white schoolgirl socks."

KAORI SHOJI is a free-lance journalist based in Tokyo.

The Lure of Pashmina Market for Cashmere Shawl Expands

By R. Jane Singer

NEW DELHI — The Himalayan mountains are a long way from the world's fashion capitals, but this remote region at the top of the world is the source of one of this season's best-selling accessories. Brilliantly colored, featherweight pashmina shawls have become a fashion sensation, combining today's essential elements of style: comfort and luxury.

While retailers struggle to keep these elegant shawls in stock, Nepalese weavers are discovering that they have a fast-growing international market for their traditional handicraft.

Pashmina, derived from the Persian word for wool, is the fabric, which we now call "cashmere." The cashmere fibers come from the silky fleece of changra goats, which live at altitudes of 4,000 to 5,000 meters in the remote Changthang area of the Ladakh region to India's Jammu and Kashmir State. One goat produces a scant 80 to 100 grams of wool fiber, with the finest pashminas requiring the annual growth of three goats to weave one shawl.

Despite popular rumors, these special goats are not slaughtered for the sake of harvesting their hair. On the contrary, said Veena Sikri, Indian consulate general in Hong Kong, "if the farmers killed these goats, they would lose their source of income."

Using age-old Nepalese methods, artisans comb and sort the sheared hair, selecting the finest ones for weaving into scarves and shawls. Since pure pashmina is almost weightless, silk is usually added in order to give the fabric some body.

Pashmina weaving began about 400 years ago in the Kashmir Valley and has since been considered India's "fabric of royals" with maharajas favoring it for blankets, throws, bedcovers and shawls. Kashmiri handspun, hand-woven shawls have inspired the imagination of art collectors around the world.

In 1796, Abdullah Khan, the Afghan governor of Kashmir, gave an exquisite pashmina shawl to Sayyid Yahya, a guest from Baghdad, who in

turn presented it to the khedive of Egypt. So impressed was the khedive with this exotic work of art that he gave it to Napoleon Bonaparte, who presented it to the future empress Josephine.

From that time on, pashmina has enraptured Westerners, with European royalty and wealthy women including these shawls as an essential part of their wardrobes.

When France, the biggest buyer of pashmina, lost the 1870-71 Franco-Prussian war, the trade in cashmere fabrics came to a halt. A famine in 1878-79 further halted production. For more than a century, delicate pashmina existed only as museum artifacts and collectors' items. As designers glanced east in search of new textiles and accessories, women of style rediscovered these sumptuous wovens and brought them again to fashion's forefront.

A passion for India's cultural arts first sparked Bhagwanti Mohan's interest in pashmina shawls. What started off as a hobby has turned into an impressive business supplying fashionable retailers with a collection of stunning shawls. Her Talena label includes not only the well-known solid colors with simple tassel fringe borders, but also a new collection that incorporates classic Western patterns, such as checks and stripes, to provide a fashion edge.

Recognizing the current blending of Eastern and Western influences, she added evening shawls embellished with sequins and embroidery in traditional Indian motifs. Noting the growing popularity of Indian shawls, Mohan has introduced a new range of incredibly soft and light pure cashmere shawls as well as traditional Jamavars that feature woven paisley designs.

"Shawls add femininity and softness to today's tailored clothing," said Mohan. "They offer the same allure as the traditional Indian sari. The wrapping and draping is very sexy."

Echoing the buzzwords that define trend directions for the next millennium, pashmina shawls are warm, soft, protective and feminine — with an understated element of luxury.

All phases of pashmina production, from dehaired, sorting, spinning, weaving, dyeing and embroidery are done by hand, limiting the sup-



The Indian designer Bhagwanti Mohan, draped in pashmina and Jamavar shawls.

ply of these colorful shawls. As demand outpaces supply, a new supply of imitation pashminas has come into the market.

UNDERSTANDING the implication of fakes and wanting to nip the problem in the bud, the Jammu and Kashmir State Handloom Development Corporation commissioned a research survey to study the problems faced by the industry. "Now even non-pashmina is being retailed as pashmina," says M. H. Malik, assistant general manager of the corporation. "I wonder how long the innocent consumer can be misled?" he asked.

In order to preserve the quality of the textile and maintain international standards, the state corporation is establishing a quality mark for pashmina that will identify items that use the genuine fiber much like the COTTON USA and Woolmarks do for their fibers.

R. JANE SINGER is publisher of Inside Fashion, an international newspaper for the fashion industry.

The Furor Over Shatoosh India Begins to Enforce World Ban

By Joseph Fitchett

PARIS — The absence of a designer label is only the first hint of the pleasures and polemics that come with the most controversial current fashion accessory: the shatoosh.

Taking cashmere to new refinement, the shatoosh is a scarf woven from very rare antelope hair — so light that it seems to float at the wearer's throat and yet fine enough to keep out the chilliest cold. As a test of its suppleness, a genuine shatoosh can be pulled through a wedding ring (in packed in an evening bag in case of an after-supper chill).

Long an almost sacred textile, the vaporous shatooshes were treasured by India's great dynasties. Often a bridal gift symbolizing purity, the scarf might subsequently coddle newborn babies and was usually handed down for generations. But the shatoosh could not remain a secret treasure since with its existence leaked to the fashion capitals in the early 1990s. Handled only by initiates and the grandest cashmere dealers, the shatoosh caught on quickly, spreading through ever-widening circles from sophisticated travelers to a fashionable elite, then fashion acolytes and thence a bigger public.

Prices were forbidding — \$2,000 apiece for rare-all-white shatooshes and almost as much for the others in a gamut of solid colors — earthy hues and bright pastels as well as a range of grays and black. They enhanced any wardrobe, and perfectionists amassed 20 or 30.

Men promptly succumbed, too, starting with politicians who wanted protection from the cold as they worked their constituencies. Bulky scarves too often gave candidates the fuzzy look of "senior citizen, frail today and gone tomorrow." In contrast, a thin, unshowy shatoosh had the effect of topping off a dressy look that seemed to give the wearer a reassuring aura of authority.

For fashion-conscious men, the shatoosh — with its own cachet of exotic, slightly out-of-reach origin, absence of label and steep price tag — quickly became a potent touch. As an un-

derstated fashion statement, a shatoosh had snob appeal as apparent that seemed non-fashion except to cognoscenti.

But rising demand for shatooshes triggered unintended consequences when politics intervened. Today shatooshes are outlawed in many countries, including the United States, European Union nations and India, by virtue of an international convention protecting the Himalayan antelope whose hair is made into the scarf.

For generations, the wool for shatooshes was supplied to Kashmir by nomads in Chinese-controlled Tibet who gathered lumps of hair left in briars by grazing antelopes.

But that system was overwhelmed, naturalists say, because of a conjunction of market forces. The growth of shatoosh sales coincided with a shortage in China of tiger parts, notably for the tiger pelts that are sought-after aphrodisiacs in China. India's tiger population has risen in recent decades thanks to conservation programs, so a cross-border trade emerged in which Chinese traders, avid for tiger parts, turned to poachers to expand the production of mountain antelope hair — by sending poaching parties with high-powered rifles and four-wheel-drive vehicles into the mountains to slaughter the animals.

Alarmed by a system that threatened the species with extinction, India has started trying to enforce the 1995 world ban on shatooshes.

Skepticism about India's real motives persists among analysts who note that the ban hits Muslim interests that oppose India's claims in Kashmir, and shatooshes are still available under the counter in India. But the ban — like earlier crusades against animal skins in fashion — has acquired the force of political correctness, energizing customs authorities and driving shatooshes out of dealers' showcases.

More readily available than ever, however, are Kashmir's other super-cashmere scarves, pashminas. Woven from Kashmiri goat, pashminas are available from reputable dealers in all major cities — at half the price of shatoosh.

JOSEPH FITCHETT is on the staff of the International Herald Tribune.

Hong Kong Bargains Draw Mainlanders

By R. Jane Singer

HONG KONG — It wasn't long ago that the language of the biggest spending tourists was Japanese. Today, Hoog Kong retailers are practicing their Mandarin as visitors from Mainland China cross the border to enjoy the splendors of what has often been referred to as Asia's shopping paradise.

According to the Hong Kong Tourism Association in 1998, 27.1 percent of all visitors to Hong Kong came from China, up 13.1 percent from 1997, and the only market to show an increase last year. Taiwan, Hong Kong's second largest tourist market, accounted for 18.9 percent of visitors, while Japanese tourists totaled only 9.9 percent of the year's visitors, down 30.9 percent from the previous year.

After 10 years of double-digit growth in arrivals, Hong Kong received a rude awakening when the regional economic crisis caused tourism to show a sharp decline. Hotel room rates and restaurant prices had hit a high in the Special Administrative Region that served as a further deterrent to prospective visitors.

"The positive side of the recession is that prices have come down. Hong Kong is a bargain again," said Peter Randall, director of communications for the Hong Kong association, noting that today room rates as low as \$30 a night at four-star hotels are not unheard of.

According to the association's figures, in 1997, 65 percent of total spending by Chinese tourists went to shopping, while 14.9 percent was spent on hotels. By contrast, Japanese tourists spent 46.7 percent of their budget on shopping and 32.5 percent on hotels. They may not be as big spenders as

some other groups, but overall spending is above average, says the travel association.

Fashion tops Mainland Chinese shopping lists with 68 percent of spending going to ready-made garments, 23 percent for footwear and 9 percent for handbags and other leather goods. Photographic equipment, in contrast, commanded only 7 percent of the shopping cart.

"Shopping is still the number one draw," says Randall. Mainland visitors find that Hong Kong offers more selection of international labels, and at lower prices, than at home. In addition, Hong Kong's sleek malls offer convenience and service not yet available in China.

Hong Kong's newest shopping magnet is Swire Property's Festival Walk mall in Kowloon Tong, which opened in November 1998. Situated on top of the interchange of the Mass Transit Railway and Kowloon China Railroad, Festival Walk is easily accessible to both Hong Kong residents and Chinese visitors.

Flooded with natural light that pours in from windows and skylights, Festival Walk has the ambiance of an upmarket Western mall. The spacious feeling is a key attraction for Asian shoppers, who find a temporary escape from congested city streets.

The emphasis on space and comfort is reflected in the retail outlets as well. The Marks & Spencer's store has wider aisles than in other locations in Hong Kong, while Esprit operates a huge store in the mall that offers their entire range, including adults, children and home collections. Mexx, too, has a spacious outlet.

Other amenities adapted from Western malls distinguish Festival Walk as a leading retail venue. Two information counters offer details about the mall itself and its retail tenants. At Christmas, a

service counter provides free gift wrapping.

The focus, said Melanie Lowe-Hansen, marketing manager for Swire Properties, is on "service as opposed to discounting."

The mall is seeing an increasing number of Chinese shoppers and the more affluent ones don't want knock-off brands, they want the real thing, Ms. Lowe-Hansen said. Most are interested in mid-priced labels as opposed to high-end designer fashions.

The Hong Kong Travel Association's Beijing office confirms this preference, saying that Marks & Spencer is one of the favorite stores of northern Mainlanders. Even residents of Guangdong, which now has a number of Western labels in its own stores, travel to Hong Kong because the prices are better, the association says.

Mainland shoppers are keen on the variety that Hong Kong shops offer, said Norman Chan, senior property manager in charge of Festival Walk. "Variety, not price, is key," he added.

Chinese consumers are not as brand-specific as the Japanese, Chan said. They are looking for the styling and merchandising that foreign brands offer. Shopping is an educational experience for them, and Hong Kong's malls are providing a showcase for brands that are seeking to establish an identity in the China market.

Even Hong Kong's well-seasoned shoppers are gravitating away from top name brands and moving to those labels that offer value for money in terms of styling and quality, Chan said. "Before, people would pay a lot just for a name. Today, the brands which have done well in the past have to reposition themselves to address changing times."

"Shopping is still an impulse buy, even if today's consumers are more cautious," Chan said.

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FASHION / A SPECIAL REPORT

A Woman's World: From Power Dressing to Maternity Chic

Life Without Suits? Unthinkable!

By Robin Givhan

WASHINGTON — The rule of fashion's runway season is to always present the new. The catwalk is, after all, a place for fashion's theater, a platform for its boldest experiments. And that rarely means the ladies' business suit.

It has been years since the suit has had the honor of being featured on the runway. Instead, the tailored jacket, with shaped shoulders and defined lapel, along with a matching skirt or pair of trousers have been replaced under the spotlight with skirts topped with sweater sets or trousers paired with lush turndowns. Even dresses — sometimes shown with a matching jacket — have been given greater prominence.

But suits are always there, lurking back in the showroom. Designers know, even if they are loath to admit it, this rarely discussed fact: When a woman wants to look professional, when she wants to look as if she is confident, intelligent and authoritative, she searches through her closet to pull out her favorite skirt and jacket.

The Italian fashion mogul Donatella Girombelli, who is wearing a black knit trouser suit, says that one of the reasons she hired the Dutch designer Josephine Melchior Thimister to take over her Genny collection is because of his skill at classic tailoring. Genny, by the way, aims to attract the professional woman.

"He respects the jacket and the cut," she said, just before Thimister presented his debut collection for Genny, which was filled with slouchy trousers and office-ready jackets.

Several seasons ago, when Giorgio Armani showed virtually only evening-wear on his runway, his spokeswoman voiced assurances that there were plenty of his famous relaxed suits back in the showroom; customers should not worry. The designers Domenico Dolce and Stefano Gabbana may put hand-painted, rubbertized evening dresses on the runway for their garden presentations, but their signature tailored jackets and trousers still hold a place of honor in their stores. Editors may lament the paucity of minimalist suits on Jil Sander's runway in Milan, but rest assured they fill her boutiques worldwide.

And while Tom Ford of Gucci declared that there was not a single head-to-toe matching suit in the collection he presented for fall '99, even he is not ready to dismiss the importance and the relevance of the jacket — whether it be cut from wool crepe or black leather.

"I don't feel dressed without a jacket. It's like armor," Ford said. "You go into

a meeting, don't you want a jacket?"

A recent Wall Street Journal story mused about whether professional women would wear pink, spring's favorite color, to their office. The answer is an unequivocal "goodness, no." If one is talking about a fuchsia bollowing skirt and dainty blouse, the answer is "maybe" if the question refers to a sophisticated suit in a tasteful shade of rose.

Consider the anecdotal evidence coming from Washington, where the landscape is rich with high-powered, serious-minded women. Some would argue that these women shun fashion. If they do, it is because they believe that fashion aims to make them look silly, to strip away their carefully constructed image of power. Quite frankly, they fear that the fashion industry wants to take away their suits.

Secretary of Health Donna Shalala may be the only dot of bold red in a sea of men in dark blue or black, but rest assured that her tomato-red attire is a jacket and a matching skirt. Hillary Rodham Clinton may happily pose for the cover of *Vogue* and sit on turndowns and trousers, white blouses and casual pants. But when the time comes for her to look authoritative, to tour New York City amid rumors that she may run for the Senate, she relies on a suit. It may be a flattering trouser suit or a pastel-colored skirt and jacket by Oscar de la Renta, but it is a suit no less.

A suit continues to be the only garment a woman can wear and be confident that it will not send a misleading message. The suit, in fact, has been called "a triumph of civilization."

Indeed, when Monica Lewinsky was questioned before the House managers and was videotaped for the entire Senate — and the world — to see, she pulled out tasteful black suit and pearls. Heaven forbid, that she should turn up in a dress. The young former intern knew that only a suit could quiet the wagging tongues that would gamely try to analyze the meaning of whatever she happened to wear.

The list of women who have shaped their images with the help of a good suit includes Diana, Princess of Wales, who exchanged ruffled dresses for sleek Versace skirt suits. The new clothes helped to transform her, in the public's eye, into a self-assured and intelligent young woman.

One of the reasons that suits have held a coveted position in women's closets is because they have evolved over time. They have lost their hard edges and softened into something more feminine and ultimately more flattering.

"The suit has really been reinterpreted," says the designer Linda Allard.



Suited to Power: *Donna Shalala, U.S. health and human services secretary, and Hillary Clinton.*

of Ellen Tracy, a favorite label among American career women. "Styles of suits have come and gone, and they always say that women are going to dispense with the jacket. But it's such an important part of a wardrobe formula. You put on a suit because you have a very important meeting. I think there are times when only a suit is appropriate. People feel good in a jacket."

A woman's suit, in its many incarnations, is out as foolproof as a man's sacred uniform of a navy suit, white shirt and red tie. That look allows a man to go, virtually unquestioned, into any environment. Still, a matching skirt and jacket — or for the more rebellious, trousers and a blazer — are as close as a woman can get to professional camouflage.

ROBIN CIVHAN writes about fashion for The Washington Post.

Pregnant and Still Looking Swell

By Robin Pogrebin

NEW YORK — About two years ago, Liz Steinberg Lange was designing regular clothes for women when many of her friends started getting pregnant and complaining that they had nothing fashionable to wear. So Lange, herself, newly married and thinking about having a baby, started looking around at the maternity market.

"I was horrified," she said, by the polyester fabrics, the tent-like dresses, the endless bows.

As a result, Mimi Maternity's spring line will this year include such outfits as a white tennis ensemble with a stretch waist instead of the traditional pregnancy rocker for the belly.

Lange said she is seeing several stores picking up on her styles, like sweater twin-sets and Capri pants. Lange's line

fostered pregnancy something to flout rather than hide. In addition, magazines like *In Style* have begun to feature chic maternity wear.

"This has been going on in Europe for many years, but it is now trickling over here," Wynkoop said. "We're seeing it in magazines. We're watching TV shows: I'm pregnant and I'm proud. It's compelled us, not to redesign our whole line, but to augment what we already have existing, with answering another customer's needs, especially in the urban areas like New York, Los Angeles and Miami."

So, in the fall of 1997, she started her own small line of maternity wear and immediately the business exploded. "I don't think there is any reason why a woman when she gets pregnant has to change her sense of style," said Lange, who now has a four-month-old baby.

"Keep it simple, keep it clean. I think the reason I took off is most of the people who were already in the maternity market were underestimating women and what they wanted."

The principle of Lange's collection — show off your body even as your middle expands — features clothing in knit, body-hugging fabrics, Jackie Oaussis shift dresses, Capri and cargo pants.

And Lange seems to have entered the market just when several prominent women in the fashion industry have started getting pregnant and thinking about how to continue looking stylish. The designers Cynthia Rowley and Alexandra Von Furstenberg are pregnant. Katherine Betts, an editor at *Vogue*, is pregnant, as is Aerin Lauder, the director of creative product development at Estee Lauder.

"It's a boom," said Cindy Krupp, the director of public relations for Barneys.

"This tide of chic young women in Manhattan are all of a sudden having babies and of course they're not shopping at Mimi Maternity."

YEET Mimi Maternity, a store with locations throughout the United States and sister stores called A Pea in the Pod and Motherhood Maternity, has begun to rethink its own line of clothing along similar lines. "Many of our styles — the traditional tie back and loose-fitting garments — are being replaced with shorter length shirts or body-forming, clingy clothes," said Dana Wynkoop, the director of advertising and marketing for Mothers Work, the parent company.

Wynkoop said her company's new sensibility was largely inspired by celebrities, like Jada Pinkett Smith or Jodie Foster who made pregnancy something to flaunt rather than hide. In addition, magazines like *In Style* have begun to feature chic maternity wear.

"This has been going on in Europe for many years, but it is now trickling over here," Wynkoop said. "We're seeing it in magazines. We're watching TV shows: I'm pregnant and I'm proud. It's compelled us, not to redesign our whole line, but to augment what we already have existing, with answering another customer's needs, especially in the urban areas like New York, Los Angeles and Miami."

"I can sell a woman \$5,000 worth of clothes and she'll thank me at the end," said Lange, 32, who was an editor at *Vogue* before becoming a full-time designer.

She added, "Women today can't afford to take these nine months off. You wake up every single morning and you need something to wear."

Rowley, the designer, who is due to have a baby in a few weeks, said she has simply avoided maternity clothing altogether, by wearing larger versions of what she would wear otherwise. She started as a size 2; now she is up to size 8.

"Those ten things just make you look humongous," she said. "No maternity clothes. And I'm not wearing my husband's shirts with leggings, either."

ROBIN POGREBIN is a culture reporter for The New York Times.

Paris's Street Wear for Street Ware

By Rebecca Voight

PARIS — Smooth traffic isn't a particularly Parisian quality. The streets here function like a free zone where the only law that pedestrians and motorists respect seems to be: Curb first or be prepared to suffer the consequences. All the while, the police manage to have their heads turned the other way.

So how on earth did Paris become the world's friendliest city for that pedal-on wheels, the urban roller skater?

Every Friday night at 10 P.M., weather permitting, a modish crew of skaters, some on quads (those old four-wheel models) and others with sleek in-line skates, departs from the Place d'Italie in the 13th district with an escort of 12 police motorcycles and vans for their own free-for-all tour of Paris by night. For once, the streets are theirs: Red lights no longer apply, and cars just have to wait until the parade slides by. *Les rollers*, as they are called in Paris, are a big thing.

There are more than 4 million roller skaters in France, and not everyone puts them on just for play. In France's hypermarkets, clerks on skates keep the aisles stocked.

Behind the trend is the 1995 transit strike that turned Parisians into skaters overnight.

Since then, rebellious rollers have become such a hazard in Paris traffic that the fine for the skater's favorite trick of hanging on to the back of a bus was raised recently from 35 francs to 100,000 francs (\$16,725).

Erik Halley says there are days he never takes off his in-line skates, preferring to wheel around his studio, where he designs accessories, in an old Paris apartment with a long corridor.

"For me," he says, "rollers are a pleasure, but they have also become a necessity. They're better than a bicycle



Instinct, the skater's lobbying body. The organization schedules group trips throughout the city and teaches skating.

For the uninitiated and aficionados, Rodriguez and Marion Thuriot have just come out with a book, "Le Roller à Paris," which details roller hangouts and gives itineraries for the best skating in Paris.

The crowd converging on the Place d'Italie offers a condensed view of young French style. This is a long way from the world's last great roller-skating epoch in late-1970s Hollywood when Cher took over a tank for her own weekly skate nights and everyone showed up in satin shorts and bomber jackets.

In addition to rubber kneepads and elbow protectors, Paris rollers layer up on cold nights in a mix of sport basics

— "Our style has always evolved with music, especially soul and hip-hop. That is what brought us to the United States to buy. But now we have gone beyond the U.S. roots that inspired us," Kachmou says.

For next fall, Lady Soul's streamlined versions of the down coat and boxy utilitarian blousons for girls look urban tough, but with an elegant French touch.

"The recession," she says, "gave Paris a new set of values."

REBECCA VOIGHT is a free-lance journalist based in Paris.

Chanel Lands Back at Mission Central

Continued from Page 13

Balenciaga show. Without any hype, 27-year-old Nicolas Ghesquiere has made this venerable house hip because he has succeeded in redefining modern elegance. The designer brings to his sober but graceful clothes new proportions and a new outlook, without reference to familiar elements like jackets, pantsuits or cocktail dresses.

BUT WE'RE NOT talking modernism either. Our came pieces that were often monastic in their unshowiness and in their somber brown colors; yet also refined in their smallest details from the shape of a pagoda sleeve, through ridged leather bibs, top-stitched tucks at the neck of a tunic or the darts shaping the bodice of a dress.

As a 20-something generation breaks bud in fashion, it has suddenly become clear that the culture of an older designer generation, that was rooted in childhood memories of the

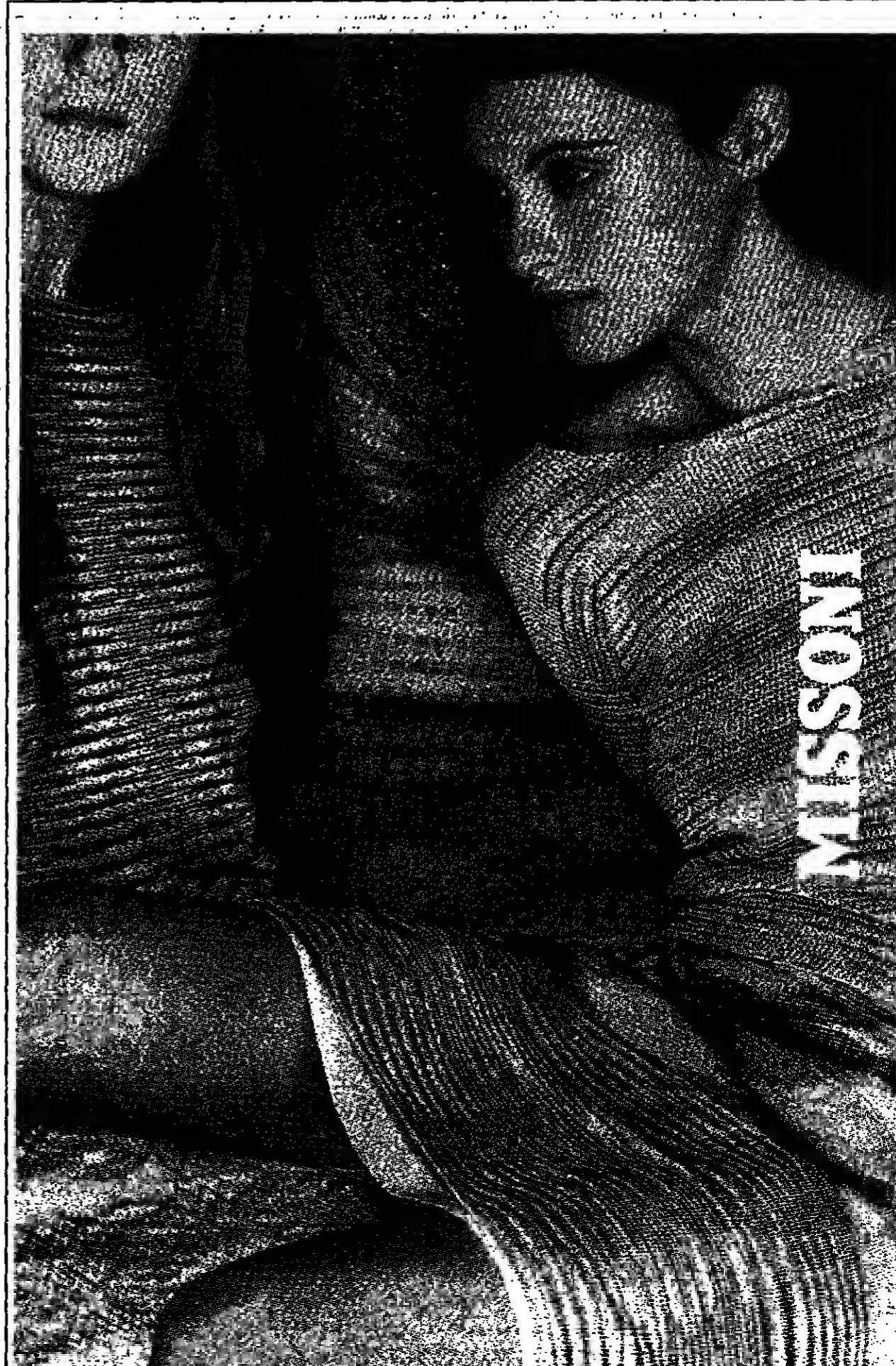
1950s, has been replaced by the children of the 1970s. Instead of the iconic, upright glamour of French fashion's glory days, imaginations are now sparked by the peasant blouses or culottes from mom's closet. Balenciaga showed those pieces, redefined and redefined in an intriguing and forceful way. As Ghesquiere expressed it backstage:

"It's about collective fashion memory, the idea of each piece evoking something."

But don't write off fashion's golden oldies. Like Lagerfeld, Sonia Rykiel, in her way, turned up trumps. She took her soft and cuddly knits and gave them a sharp military overtone, yet balanced that urban army feeling with lip appliqués or lip-shaped purses dropping kitch kisses on knit or flesh.

If some of the mocha plaid and furry cargo pants looked more like winter survival gear than sophisticated clothing, jackets strapped like backpacks had just the sporty feel to make comfey clothes seem modern.

SUZY MENKES is the fashion editor of the International Herald Tribune.



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SATURDAY-SUNDAY, MARCH 13-14, 1999

PAGE 17

Germany Picks a Low-Key Technocrat

Finance Minister Eichel Expected to Bring a Balanced Approach

Compiled by Our Staff from Dispatches

FRANKFURT — Hans Eichel, who was named finance minister of Germany on Friday, is seen as an efficient administrator and a low-key political figure, hand-picked to restore stability to a key post after months of cabinet upheaval.

Mr. Eichel, who ran a Socialist government in Frankfurt without alienating the establishment in Germany's financial capital, will attempt to achieve the same balance in his new post as finance minister.

Pragmatic, loyal and unlikely to ruffle feathers, Mr. Eichel, 57, is the antithesis of his predecessor in the federal finance ministry, Oskar Lafontaine, according to people who know both men well.

Mr. Eichel has the "charisma of a noodle," the left-wing *Frankfurter Allgemeine Zeitung* attributed to him "the charm of a social security civil servant."

On the other hand, "he's a technocrat who is very good at mastering details on any financial subject," said Eckhard Schmitz, senior economist at the Industrial Bank of Japan in Frankfurt. "That's something Lafontaine never was."

That is also a quality that might smooth the sometimes tense relations between Germany's coalition government and the European Central Bank as it attempts to steer a course independent of Europe's politicians.

Indeed, Wim Duisenberg, the president of the ECB, offered a welcome to Mr. Eichel's appointment that suggested more collegial relations. "I know him very well and I congratulate Germany," Mr. Duisenberg said Friday in Rome. The central banker said he had "no feelings" about Mr. Lafontaine's surprise decision to depart.

Mr. Lafontaine, in five months, managed to infuriate European central bankers and German business executives with his plans to eliminate tax loopholes and his complaints that interest rates were too high.

Mr. Eichel, however, lacks international experience. He will now be responsible for running the largest economy among the 11 European countries that have adopted a single currency. That could mean that the voice of the euro zone shifts from Germany's finance minister to France's Dominique Strauss-Kahn, who shared many of Lafontaine's views but has nevertheless managed to forge good relations with business leaders.

"Eichel is not a heavyweight, and this means there won't be a counterweight to Strauss-Kahn," said Emmanuel Ferry, a senior economist at Banque Nationale de Paris.

The future of Chancellor Gerhard Schroeder's government may depend on how fast Mr. Eichel can defuse the furor with corporate Germany that cost Lafontaine his job. His track record since 1991 as prime minister of Hesse, of which Frankfurt is the capital, shows



Prayitno/Bloomberg News
A trader cheering Friday at the Frankfurt Stock Exchange, left, as stocks soared after Hans Eichel, above, was named finance minister.

Harald Joerg, an economist at Dresdner Bank AG, "He's out on the outer fringe of the Social Democratic party."

But neither is he as famous or as charismatic as Mr. Lafontaine, who remains popular with the SPD's left wing for resisting the centrist shift Mr.

"He's above all a negotiator," said

See EICHEL, Page 18

ence in business expansion without permitting companies to violate environmental laws.

Eichel also brings an eight-year history of successful compromise with the Green Party in Frankfurt, his junior coalition partner in Hesse and Schroeder's partner at the national level.

"He's above all a negotiator," said



Patrick Aveda/Agence France-Presse
BMW, led by Joachim Milberg, left, unveiled its latest Z3 roadster unit, maker of the Rover unit, maker of the Freelander, far left.

Unwanted Spotlight Falls on BMW

Rover Losses and Internal Feuding Keep Alive Talk of a Takeover

By Edmund L. Andrews
New York Times Service

GENEVA — Few car companies have been the object of as much unwanted attention lately as BMW, the Bavarian company best known for its muscular but luxurious sedans and sports cars.

First there were the continuing problems at its Rover division, the British manufacturer of Land Rovers, MGs and Minis, which Bayerische Motoren Werke AG bought in 1994 and which lost nearly \$1 billion last year, according to some estimates.

Then there was the fending and finger-pointing within BMW's top management, which led to the surprise departure Feb. 5 of the chief executive, Bernd Pischetsrieder, and his chief rival on the board, Wolfgang Reitzel.

Last but not least, there has been the incessant speculation about BMW as a takeover target.

Despite repeated insistence by the company and its biggest shareholders that the company wants to stay independent, the conventional wisdom has been that BMW is simply too small, too desirable and too rattled by management problems to hold out for long. At a minimum, analysts have argued, the company needs to trim back Rover or find it a partner.

Now, in their first public appearances since the shake-up last month, BMW's top executives are firing back. Their message, delivered here this week at the annual Geneva Motor Show: No need to change the basic strategy and no need to sell out.

"The great strength of BMW is its independence," said

Joachim Milberg, the relatively unknown production chief who took over as chief executive. "BMW has the substance, the power and above all the will" to chart its own course, he said.

Mr. Milberg said BMW would continue to invest in Rover, even though it has already spent more than \$4 billion. The plan assumes that the British government will contribute more than \$200 million to modernize Rover's big factory in Longbridge. BMW's total investment is likely to be several times that much.

BMW also plans to push ahead with new versions of Rover's midpriced cars, the biggest source of the company's profits.

The new boss did not take questions, and he left some big ones unanswered. If BMW's board essentially dismissed Mr. Pischetsrieder because of Rover, what is the new management going to do differently? And if BMW wants to compete against the likes of DaimlerChrysler AG on everything from subcompacts to luxury limousines, where will it get the heft to do so?

Many analysts have argued that BMW is stretching itself too thin, that it needs to be much bigger to survive on the thin profit margins available in comparatively inexpensive mass-market cars.

Hilmut Panke, a BMW board member in charge of research and development, argued that the conventional wisdom was wrong. Rather, he said, bigger was not necessarily better.

"Everybody talks about economies of scale," he said in

See BMW, Page 19

CURRENCY RATES

Cross Rates										Other Dollar Values									
					March 12										March 12				
\$	£	SF	Yen	CA	Dane	Greek	Swiss	Peru	Currency	Peru	Currency	Peru	Currency	Peru	Currency	Peru	Currency	Peru	Currency
London (0)	1.434	—	2,367.3	194.77	2,489.4	11,099.9	479.95	132,469	Angola, peso	3,079.2	Angola, kwanza	5,170.2	Angola, escudo	45.5	Angola, kwanza	5,170.2	Angola, escudo	45.5	Angola, kwanza
New York (0)	1.4325	1.466	118.70	2,487.18	294.18	6.128	81.28	—	America, peso	23,162	America, bolivar	1,070.2	America, bolivar	40.5	America, bolivar	1,070.2	America, bolivar	40.5	America, bolivar
Tokyo	119.80	195.88	82.36	—	76.54	17.77	N.L.	74.02	America, peso	2,000.0	America, bolivar	1,000.0	America, bolivar	40.0	America, bolivar	2,000.0	America, bolivar	40.0	America, bolivar
Toronto	1.5225	2.6393	1.0401	1.2867	—	1.2273	1.0517	0.1171	America, peso	2,000.0	America, bolivar	1,000.0	America, bolivar	40.0	America, bolivar	2,000.0	America, bolivar	40.0	America, bolivar
Zurich	1.4611	2.3882	—	1.2249	0.9595	21,499.4	0.9783	0.218	America, peso	48.45	America, bolivar	30.05	America, bolivar	3.00	America, bolivar	48.45	America, bolivar	30.05	America, bolivar
One euro	1.0723	0.6486	1.5975	130.80	1,6458	7,4227	321.55	8.8615	One euro	9.7488	Mexican peso	9.75	Shanghae, \$	1.723	Venez., boliv.	576.65	Venez., boliv.	1.723	Venez., boliv.
One SDR	1.3619	0.8387	1.5967	162.79	2,0725	9,2823	401.37	11.0627	One SDR	12.054	One SDR	12.054	One SDR	1.257	One SDR	12.054	One SDR	1.257	One SDR

Interest rates are indicated by asterisks.
* To buy one pound, £1.4325.
** To buy one dollar, \$1.0723.
SDR: Special Drawing Rights of the IMF.
Source: Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); Banque de France (Paris); IMF; SDR. Compiled from Reuters.

Euro Values
Flux rates of the EMU member currencies, for one euro:
Austria schilling 1.73,065
Belgium franc 2.20,571
Finland markka 5.94,521
France franc 0.55957
German mark 1.56533
Ireland punt 1.70,327
Italy lira 2.20,425
Luxembourg franc 1.49,994
Netherlands guilder 1.49,169
Portugal escudo 1.56,385
Spain peseta 12,0917
Switzerland franc 1.49,994

European Cross Rates										Other Euro Values									
					March 12										March 12				
Am	Bal	Flm	Frs	Ft	DM	Fr	Lira	Nrls	Port	Span	Am	Bal	Flm	Frs	DM	Fr	Lira	Nrls	Port
12,5743	34,8377	5,4254	5,9945	1,708	0,7719	1,279,04	2,0145	181,28	1,2421	1,2421	12,5743	34,8377	5,4254	5,9945	1,708	0,7719	1,279,04	2,0145	181,28
20,5459	40,2235	8,2778	9,7942	2,0925	1,1745	1,2971,07	2,3795	299,34	1,4763	1,4763	20,5459	40,2235	8,2778	9,7942	2,0925	1,1745	2,3795	299,34	1,4763
9,40	32,724	7,2741	7,6178	1,4164	4,82	59,95	0,66	0,7976	—	—	9,40	32,724	7,2741	7,6178	1,4164	4,82	59,95	0,66	0,7976
Amsterdam	—	34,1197	5,7342	2,0977	7,0335	7,4747	0,7107	0,2442	4,8204	4,8204	Amsterdam	—	34,1197	5,7342	2,0977	7,0335	7,4747	0,7107	0,2442
Bulg. Franc	2,2914	—																	

EUROPE

Societe Generale Rejects BNP's 'Hostile' Offer

Compiled by Our Staff From Dispatches

PARIS — The board of Societe Generale SA on Friday followed Paribas SA in rejecting a proposal by Banque Nationale de Paris SA for a three-way combination that would create the largest bank in the world.

The Societe Generale board described BNP's offer of a share swap as hostile and said it was "far below the real worth" of its shares.

It described a three-way combination as "unmanageable if carried out in a single step" and reaffirmed its support for a deal involving only Societe Generale and Paribas.

Paribas' board issued a similar statement Thursday, expressing fears that under the BNP plan, Paribas would be dismantled and would not survive for long.

The boardroom maneuvers, however, appear to have left BNP unlaunched. It said that its proposal would ultimately rest in the hands of Societe Generale and Paribas shareholders.

French government sources said the chances were good that French regulatory officials would approve BNP's bid in the next few weeks.

Adding to BNP's ammunition, J.P. Morgan & Co. analysts said Thursday that the BNP proposal was more likely to succeed than a combination of Societe Generale and Paribas.

On Tuesday, BNP offered 11 of its own shares for every eight Paribas shares and 15 of its own shares for each seven Societe Generale shares. The offer valued Paribas at 106 euros (\$116.94) a share and Societe Generale at 98.8 euros a share.

The shares of all three banks fell Friday. Societe Generale's shares closed at 163.70 euros, down 1.20.

BNP closed at 80 euros, down 3, while Paribas closed at 100.20 euros, down 1.30.

Societe Generale said the BNP bid was "hostile and therefore not in the interests of Societe Generale, its shareholders, its partners or its customers."

Societe Generale's purchase of Paribas, proposed Feb. 1, is "a better company project," it added.

That plan would create the world's fourth largest bank in terms of assets. Earlier Friday, the president of BNP, Michel Pebernard, said he did not believe that Societe Gen-

eral and Paribas would mount a counter-attack to his bank's bid.

He dismissed speculation that Paribas and Societe Generale would find a foreign "white knight" to fight off BNP, saying: "Nobody will go looking for a European partner when we are offering a plan for a grouping of French banks."

On Wednesday, Mr. Pebernard stressed the synergies between BNP and Societe Generale's retail banking operations and said that Paribas would keep some independence, provided it improved profitability.

BNP's offer stunned French banking, where hostile bids are almost unheard of, and followed a spate of consolidation in the European banking sector with the arrival of the euro. (AFP, Bridge News)

Oil Countries Agree to Cut Production

Compiled by Our Staff From Dispatches

LONDON — Crude oil prices surged Friday after oil producers meeting in the Netherlands reached an agreement to idle at least 2 percent of world output in an effort to cut a glut.

Oil Minister Ali Naimi of Saudi Arabia said producers planned to cut output by more than 2 million barrels a day after meetings with oil ministers from Algeria, Iran, Mexico and Venezuela. The talks come after the Organization of Petroleum Exporting Countries ignored production quotas set last year, then failed to initiate greater cutbacks at its November meeting.

"They are going in the right direction," said Pierre Jungels, chief executive of Enterprise Oil PLC. "Fifteen-dollar oil satisfies everybody, and \$10 oil satisfies nobody."

Brent crude oil for April delivery on the International Petroleum Exchange in London rose 42 cents in late trading, to \$12.68 a barrel.

The cutbacks and rising oil prices bode well for oil companies, many of which have seen earnings and share prices undermined by the slump in oil prices during the past two years.

"It sounds good, and these cuts are at the higher end of expectations," said Leslie Nicholas of GNT Ltd. Still, he said, "the market will retain some broad cynicism until we see a breakdown of the cuts."

Saudi Arabia had called the emergency talks in an attempt to forge consensus over new cuts in oil production before the next OPEC meeting, in Vienna on March 23.

A decision in principle for the most recent cuts had been made Wednesday, when Saudi Arabia, Kuwait and Qatar — all OPEC members — and Oman, a nonmember, agreed on the need for cuts to eliminate excessive stockpiles.

But previous cuts totaling 3.2 million barrels a day, agreed to by OPEC and non-OPEC countries, had failed to lift prices.

Analysts say that a big obstacle to reducing output is Venezuela, which has frequently floated OPEC quotas and has insisted it would find it financially very difficult to make further cuts. (Bloomberg, Reuters)

Low French and German Inflation

Compiled by Our Staff From Dispatches

PARIS — Consumer prices in Germany and France barely budged in February from their near-record lows, adding to the possibility that the European Central Bank will cut interest rates.

German prices rose 0.2 percent in the month and 0.2 percent from a year earlier, according to figures released Friday, that left inflation at the lowest level since the nation's reunification in 1990. French prices rose 0.3 percent in the month and 0.2 percent from a year earlier.

But inflation remained above the European average in Spain and the

Netherlands, raising concern that prices will be pushed out of line with those countries' euro-zone partners.

Nonetheless, with inflation in France and Germany, the two largest European economies, likely to stay below the European Central Bank's 2 percent ceiling in coming months, the bank may lower interest rates as soon as next week, analysts say.

"European interest rates should be cut, in stages, by about 100 basis points," or a full percentage point, Jean-Marie Messier, head of Vivendi SA, said. The central bank's benchmark lending rate is at 3.0 percent.

But in managing interest rates, the

new bank must keep 11 formerly separate economies on the same path, a task whose difficulty was underscored by the divergent figures reported Friday. Spain said that consumer inflation in February was 1.8 percent higher than a year earlier, while the Netherlands said prices rose 2.1 percent in the same period.

France and Germany are our main competitors," said Antonio Villarreal of Merrill Lynch & Co. in Madrid, "and the goods we export become less competitive. We cannot use either competitive devaluations or interest rate cuts to compensate for it anymore." (Bloomberg, Reuters)

Italian Economy Contracts 0.3%

Bloomberg News

ROME — The Italian economy contracted by a greater-than-expected 0.3 percent in the fourth quarter from the third, its biggest drop in two years, as declining exports made Italy the slowest-growing European Union economy in 1998.

But the economy grew 0.9 percent from a year earlier.

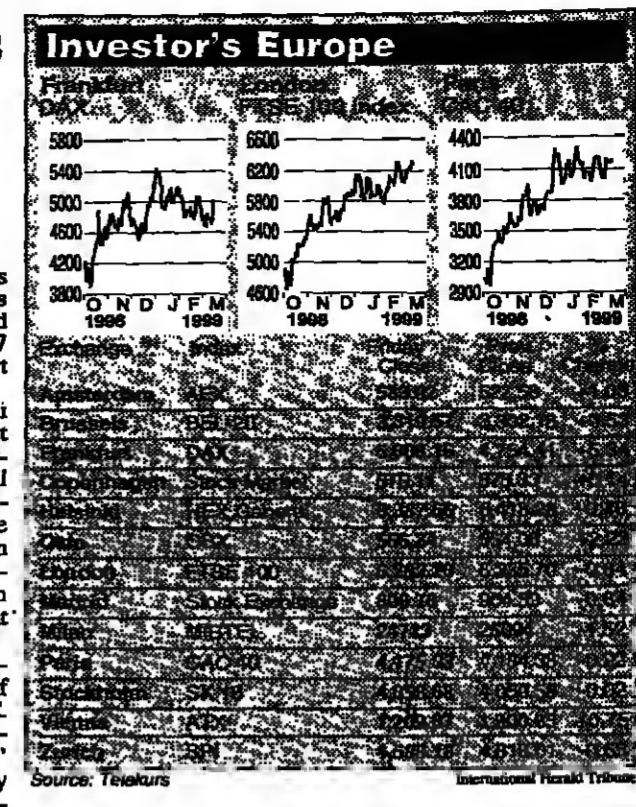
Economists had expected the economy to contract 0.1 percent in the quarter and to grow 0.8 percent over last year.

Italian companies have scaled back output because of slowing exports to economically weakened regions, the expiration of a state incentive for buyers of new cars and a moderate increase in household spending.

Some executives expect growth to pick up in the second half of this year.

Italian growth for all of 1998, at 1.4 percent, was the slowest in the 15 nation EU. Growth in 1997 totaled 1.5 percent.

Fourth-quarter gross domestic product was held back by exports, which fell 6.7 percent from the third quarter, while household consumption was unchanged.

Investor's Europe

Source: Teletext

International Herald Tribune

Very briefly:

• Russia's State Duma approved a bill raising income tax to 45 percent from 35 percent for people earning more than 300,000 rubles (\$13,054) a year. The bill will now be considered by the Federation Council upper chamber and needs President Boris Yeltsin's signature before becoming law.

• BNP Bank AG's 1998 net profit rose 56.4 percent to 359 million Deutsche marks (\$198.6 million), and the German retail bank forecast a further increase this year.

• Canal Plus SA posted a net loss of 185 million French francs (\$30.5 million) for 1998, compared with a profit of 1.53 billion francs in 1997, because of charges related to integrating acquisitions.

• British Telecommunications PLC is holding preliminary talks with Airtel Movil SA, to increase its 17.8 percent stake in the Spanish mobile-phone operator.

• The Czech central bank cut its two-week repurchase rate to 7.5 percent from 8 percent, its discount rate to 6 percent from 7.5 percent and its Lombard rate to 10 percent from 12.5 percent.

• Enterprise Oil PLC's 1998 profit fell 94 percent, to £7.8 million (\$12.7 million), as a 12 percent cut in costs could not make up for the prolonged slump in oil prices.

• Reckitt & Colman PLC will cut jobs and close plants worldwide as the British household goods company seeks to reduce annual costs by £30 million to £40 million. Pre-tax profit fell 11 percent, to £265.4 million, last year due to slower sales in East Asia and Brazil.

• British Aerospace PLC wants to buy 100 percent of Construcciones Aeronauticas SA, the state-owned Spanish aerospace company, according to a report in Cinco Dias newspaper, which did not cite sources. (Reuters, Bloomberg)

BMW: Carmaker's Problems Bring It Unwanted Attention

Continued from Page 17

an interview. "But tell me, where are they?"

In the 1980s, Mr. Panke said, experts argued that manufacturing costs were the main reason for getting bigger. Instead, new technology has allowed companies to build factories that reach their peak efficiency with smaller volumes.

Painting shops used to be at peak efficiency if they had a volume of about 200,000 cars a year, he said; today, the optimal volume is less than half that.

But Mr. Panke and other exec-

utives admit that is not the whole story. So they have abandoned the old strategy of letting Rover remain as "British" and as independent as possible. The new approach calls for tighter integration of functions like body design, research and information-processing.

But those are tactical and managerial changes. On the more basic questions, Mr. Milberg is veering little from the path charted by Mr. Pischetsrieder. BMW will still try to offer a full range of cars, and it will not try to rearrange or consolidate its brand names.

WORLD STOCK MARKETS

Friday, March 12

Prices in local currencies;

In euros for EMU countries;

Tobacco

High Low Close Prev.

NASDAQ

Friday's 4 P.M.
The 1,000 most traded National Market securities
in terms of dollar value, updated twice a year.
The Associated Press.

NYSE

Friday's 4 P.M. Close
(Continued)

INTERNATIONAL HERALD TRIBUNE, SATURDAY-SUNDAY, MARCH 13-14, 1999

SATURDAY-SUNDAY, MAY

AMIEX

Friday's 4 P.M. Close
The 150 most traded stocks of the day,
up to the closing on Wall Street.
The Associated Press

Friday's 4 P.M. Close																							
The 150 most traded stocks of the day, up to the closing on Wall Street.																							
The Associated Press.																							
Stock	Sales	High	Low	Last	Chg.	Stock	Sales	High	Low	Last	Chg.	Stock	Sales	High	Low	Last	Chg.						
Stock	Sales	High	Low	Last	Chg.	Stock	Sales	High	Low	Last	Chg.	Stock	Sales	High	Low	Last	Chg.						
AMC	1207	150	144	148	-4	AMT	120	574	574	574	-	ANH	807	716	716	716	+16	ANH	87	74	74	74	-
AT&T	422	154	152	154	-2	ANH	180	56	56	56	-	ANH	61	56	56	56	-	ANH	102	56	56	56	-
ATCross	109	744	694	744	-50	ANH	121	64	64	64	-	ANH	102	56	56	56	-	ANH	102	56	56	56	-
Americas	229	95	94	95	-1	ANH	193	31	31	31	-	ANH	121	29	29	29	-	ANH	102	29	29	29	-
Alltel	222	154	152	154	-2	ANH	204	47	47	47	-	ANH	122	27	27	27	-	ANH	102	27	27	27	-
ALLTEL	166	204	198	204	-4	ANH	215	47	47	47	-	ANH	123	27	27	27	-	ANH	102	27	27	27	-
Amres	1603	214	212	214	-2	ANH	226	47	47	47	-	ANH	124	27	27	27	-	ANH	102	27	27	27	-
Amtec	14	14	14	14	-	ANH	237	47	47	47	-	ANH	125	27	27	27	-	ANH	102	27	27	27	-
Amwest	221	974	964	974	-10	ANH	248	47	47	47	-	ANH	126	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	259	47	47	47	-	ANH	127	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	270	47	47	47	-	ANH	128	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	281	47	47	47	-	ANH	129	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	292	47	47	47	-	ANH	130	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	303	47	47	47	-	ANH	131	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	314	47	47	47	-	ANH	132	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	325	47	47	47	-	ANH	133	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	336	47	47	47	-	ANH	134	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	347	47	47	47	-	ANH	135	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	358	47	47	47	-	ANH	136	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	369	47	47	47	-	ANH	137	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	380	47	47	47	-	ANH	138	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	391	47	47	47	-	ANH	139	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	402	47	47	47	-	ANH	140	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	413	47	47	47	-	ANH	141	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	424	47	47	47	-	ANH	142	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	435	47	47	47	-	ANH	143	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	446	47	47	47	-	ANH	144	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	457	47	47	47	-	ANH	145	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	468	47	47	47	-	ANH	146	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	479	47	47	47	-	ANH	147	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	490	47	47	47	-	ANH	148	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	501	47	47	47	-	ANH	149	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	512	47	47	47	-	ANH	150	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	523	47	47	47	-	ANH	151	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	534	47	47	47	-	ANH	152	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	545	47	47	47	-	ANH	153	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	556	47	47	47	-	ANH	154	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	567	47	47	47	-	ANH	155	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	578	47	47	47	-	ANH	156	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	589	47	47	47	-	ANH	157	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	590	47	47	47	-	ANH	158	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	591	47	47	47	-	ANH	159	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	592	47	47	47	-	ANH	160	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	593	47	47	47	-	ANH	161	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	594	47	47	47	-	ANH	162	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	595	47	47	47	-	ANH	163	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	596	47	47	47	-	ANH	164	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	597	47	47	47	-	ANH	165	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	598	47	47	47	-	ANH	166	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	599	47	47	47	-	ANH	167	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	600	47	47	47	-	ANH	168	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	601	47	47	47	-	ANH	169	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	602	47	47	47	-	ANH	170	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	603	47	47	47	-	ANH	171	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	604	47	47	47	-	ANH	172	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	605	47	47	47	-	ANH	173	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	606	47	47	47	-	ANH	174	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	607	47	47	47	-	ANH	175	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	608	47	47	47	-	ANH	176	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	609	47	47	47	-	ANH	177	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	610	47	47	47	-	ANH	178	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	611	47	47	47	-	ANH	179	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	612	47	47	47	-	ANH	180	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	613	47	47	47	-	ANH	181	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	614	47	47	47	-	ANH	182	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	615	47	47	47	-	ANH	183	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	964	974	-10	ANH	616	47	47	47	-	ANH	184	27	27	27	-	ANH	102	27	27	27	-
Amwest	220	974	9																				

NYSE

Friday's 4 P.M. Close
(Continued)

Globaleyes



Global markets, global communications, global technologies... the trend seems to be to
globalize pretty well everything.

So how on earth do you keep on top of daily developments? Through the
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THE WORLD'S DAILY NEWSPAPER

Herald Tribune
INTERNATIONAL
SPORTS

PAGE 24

SATURDAY-SUNDAY, MARCH 13-14, 1999

WORLD ROUNDUP

Hungary Reinstates Suspended Officials

SOCCER Many of the suspended leaders of Hungary's soccer federation were reinstated Friday, two days after a joint delegation of international soccer officials visited the country to investigate the case.

"Today, in my authority outlined in the sports law, I terminate the suspension of the president of the Hungarian soccer federation," Sports Minister Tamas Deutsch said. The presidium consists of 10 members, but two resigned last week.

Other portions of his Feb. 4 decision, including the suspension of the federation's president, Attila Kovacs, and of the five-member supervisory board, remained in place, Deutsch said.

On Wednesday, a joint delegation of FIFA and UEFA members came to Hungary to investigate the circumstances surrounding the suspensions. Kovacs and his leadership were suspended after being accused of fraud and mismanagement.

Deutsch said that he withdrew some suspensions after his investigation found that Kovacs had repeatedly made decisions in the past year that were contrary to the will of the presidium, and against Hungarian federation regulations.

Kovacs denied the allegations and turned to FIFA and UEFA, along with Hungary's chief prosecutor's office, "to seek restoration of law and order."

The joint FIFA and UEFA delegation met with Kovacs and Deutsch separately Wednesday, and then left Hungary. (AP)

In Cuba, Preparations

BASEBALL A U.S. logistical team arrived in Cuba on Thursday night to begin preparing for the Baltimore Orioles' historic game with the Cuban national team on March 28.

Sandy Alderson, the executive vice president of baseball operations in the commissioner's office, and other baseball executives were to meet with Cuban sports officials.

On Friday, they were to inspect Latinoamericano Stadium to ensure it met major-league standards. (AP)

Cipollini Takes a Stage

CYCLING Mario Cipollini of Italy, bruised but not subdued following a spill, sprinted to his fourth victory of the season Friday in the third stage of the Tirreno-Adriatico cycling race.

Cipollini, one of the world's best sprinters who competed with the Sacco team, edged Stefano Zanini and Emanuele Leonardi to the finish line in the central Italian town of Lucca.

North Carolina-Charlotte 70 In Milwaukee, Marlon Thomas scored five of his 13 points in overtime

Cincinnati Trounces George Mason, 72-48

Bearcats Go to 2d Round 5th Time in a Row

The Associated Press

BOSTON — Pete Mickeal scored 18 points and third-seeded Cincinnati held George Mason to its worst shooting game of the season Friday in a 72-48 victory in the opening round of the NCAA East Regional.

The Bearcats (27-5) advance to the second round for the fifth straight year and will meet the winner of the Temple-Kent State game on Sunday.

Cincinnati took control over the last 10 minutes of the first half, using a 26-6 run to take a 41-17 lead. The Bearcats' biggest lead was 65-35 with 7:38 left in the extra period.

McLain Levent added 11 points for Cincinnati and Kenyon Martin had 10.

Jason Miskirn had 13 points for the Patriots (19-11), which had a 10-game winning streak snapped. George Mason was making its second NCAA appearance, having lost to Indiana in the first round in 1989.

Tennessee 75, Delaware 52 Tennessee overcame a miserable offensive start to win its first NCAA tournament game in 16 years, snapping Delaware's 13-game winning streak with a victory in the first round of the East Regional on Friday in Charlotte, North Carolina.

The game was an offensive nightmare for both clubs, neither of which shot better than 33 percent with a combined 37 turnovers.

Fourth-seeded Tennessee (21-8) missed 17 of its first 20 shots, but managed to win its first NCAA tourney game since 1983 because 13th-seeded Delaware shot a season-low 28.3 percent.

Brandon Wharton led the Volunteers with 16 points, while Mike Pegues scored 21 for the Blue Hens, who fell to 0-4 all-time in the tourney.

Utah 86, Arkansas State 55 In New Orleans, Alex Jensen scored 18 points, six above his average, and grabbed 11 rebounds as Utah beat Arkansas State in the first round of the NCAA Midwest Regional on Friday.

The victory stretched the Utes' winning streak to 23 games. They have never lost an NCAA first-round game under coach Rick Majerus.

Utah (24-8) dominated inside with its superior height, outrebounding the Indians 40-24, and wearing them down in the second half.

Arkansas State (18-12), shot 42 percent in the first half but made just three of 13 field goals in the first 13 minutes of the second half.

Chico Fletcher scored 21 points to lead Arkansas State. Eric Beatty scored 17 points for the Indians.

North Carolina-Charlotte 81, Rhode Island 70 In Milwaukee, Marlon Thomas scored five of his 13 points in overtime

as North Carolina-Charlotte rallied to beat Rhode Island in the first round of the NCAA Midwest Regional on Friday.

The fifth-seeded 49ers (23-10), who claimed the Conference USA post-season title by winning four games in four nights, will play the Arizona-Oklahoma winner Sunday.

The 12th-seeded Rams, who won the Atlantic 10 post-season title on Lamar Odom's buzzer-beating 3-pointer, finished 20-13 after blowing an eight-point first-half lead and getting outscored 16-5 in the extra period.

Weber State 76, North Carolina 74 For the first time in nearly two decades, North Carolina went to the NCAA tournament and did not win a game.

The Tar Heels lost in the first round to Weber State and Weber's spectacular forward, Harold Arceneaux, who put on an unstoppable performance in the West Regional contest in Seattle.

He punctuated a 36-point performance by making two free throws with 13.3 seconds left as Weber State handed North Carolina its first opening-game NCAA-tournament loss in 19 years.

Gonzaga 75, Minnesota 63 Richie Frahm scored 26 points, including five 3-pointers, as Gonzaga beat a depleted Minnesota team.

The Gophers (17-11) were missing four players who were ruled ineligible because of allegations of academic fraud. Two of the remaining eight players — Joel Przybilla and Kevin Nathiel — fouled out. It was the first NCAA tournament victory for Gonzaga (26-8), the school that John Stockton played for and Bing Crosby attended.

Stanford 86, Acorn State 57 Stanford started with going from Final Four to first-round flop before overcoming a miserable 16-minute stretch of the second half.

The second-seeded Cardinal (26-6) outscored the Braves 14-2 over the final four minutes after Acorn State (23-7) rallied from 14 points down at halftime to it at 55.

Florida 75, Penn 61 Teddy Dupay's fast-break layup completed Florida's comeback from an 11-point, halftime deficit, and his 3-pointer helped the Gators pull away from Penn.

Connecticut 91, Texas-San Antonio 63 In Denver, Richard Hamilton had 28 points as top-seeded Connecticut, playing without ailing coach Jim Calhoun, beat overmatched Texas-San Antonio.

Kevin Froemmen added 16 points and Khalid El-Amin had a career-high 10 assists for the Huskies.

Arkansas 84, Siena 80 Kareem Reid set the Arkansas career assist record, and the Razorbacks hit 15 shots from 3-point range.



IOC Probers Urge Severe Censure for 2 Top Officials

The Associated Press

NEW YORK — IOC investigators recommended severe censure on Friday for the highest-ranking member implicated in the corruption scandal and a high-profile delegate from the next Olympic host country.

Kim Un Yong, an executive board member from South Korea and a powerful leader of international sports, and Phil Coles, a longtime IOC member from Australia, barely escaped a recommendation that they be expelled.

Both were told that they would be kicked out of the IOC if "similar facts ever occur again."

A third leading member, Vitali Smirnov of Russia, a former vice president, was recommended for a "very serious" warning in the report from a six-man inquiry headed by a vice president, Dick Pound of Canada.

Expulsion was recommended for only one new member, Stein Paul Wallwork of Western Samoa.

While the panel issued a recommendation on Kim, his case remained open. The report said allegations still to be completely investigated could lead to a recommendation for expulsion "if what's alleged turns out to be true."

Leas-averted warnings also were proposed for Louis Guirandou-N'Diaye of the Ivory Coast, Willi Kalischmidt of Guatemala, Shagdarjav Magvan of Mongolia, Anani Matiba of Togo, Austin Sealy of Barbados and Mohamed Zergui of Algeria.

Three others were exonerated — Henry Edmund Olufemi Adefoje of Nigeria, Ashwini Kumar of India and Ram Rube of Mauritius.

The recommendations Friday, released on the IOC's Internet site, must be acted upon by the ruling executive board before final action by a special general assembly next week in Lausanne, Switzerland.

Nine IOC members already have resigned or been expelled in the worst corruption scandal in the Olympics' 105 years, a million-dollar vote-buying scheme surrounding Salt Lake City's winning bid for the 2002 Winter Games.

The internal investigation dealt with 44 members in its first phase and reconvened to consider another 16 members implicated last month in a Utah ethics board report.

Six of those cases, involving unidentified members, were considered insignificant and dropped without any action.

Kim is president of both the International Tae Kwon Do Federation and the confederation of Olympic sports bodies, and had been considered a possible successor to Juan Antonio Samaranch as IOC president.

His has promised to use "lots of ammunition" to fight any action against him.

RELIGIOUS SERVICES

AMSTERDAM

FROGGRADS INTERNATIONAL CHURCH Interdenominational & Ecumenical Sunday Service 10:30 a.m. & 1:30 p.m. / 1025 Weesper, Deutzelaan 3, 1015 Amsterdam. Info: 020-641 8812 or 020-651 953.

BERLIN

BERLIN 1st Church (Generalist) Sunday services: 10:30 a.m., Hotel Mondial, Kurfuerstendamm 47, Pastor H. Petersen. Tel: +49 (0)30 34 70 91 76, www.bethel-church.org

FRANKFURT

ST. LORENZ, International Catholic Parish, Alter Markt, Gasse 6, 6031 (near Romer), Mass in English. Sunday 8:30 a.m., 10 a.m. Tel/Fax: 069 23 01 43 33. Rev. Frederic Henry, Pastor. Tel: 069 43 33 04 03 Metz 1 in L2 Deutz Ephesos

PARIS and SUBURBS

EMANUEL BAPTIST CHURCH 56, rue des Pois-Potiers, 75005 Paris-Matignon. Services: 9:45 a.m. & 11 a.m. with Sunday School. Tel: 01 47 51 29 6301 47 48 15 29 or: http://www.godsgo.com/meetings.html. Emmanuel Fellowship meeting at 48 rue de Lille, Paris 75013 Sunday. Call above for info.

HOLY INTERNATIONAL CHURCH Hotel Choral, 100 Bd. Haussmann, 75008 Paris. Sunday Worship Sundays 10:00 a.m. Rev. Frederic Henry, Pastor. Tel: 01 43 33 04 03 Metz 1 in L2 Deutz Ephesos

SAINTE JOSEPH'S CHURCH (Roman Catholic). MASS in ENGLISH Sat: 11:00 a.m., 6:30 p.m.; Sun: 8:45&11: a.m., 12:15 & 6:30 p.m. Mon-Fri: 8:00 a.m., 5:00 p.m. Hache, Paris 8th. Tel: 01 42 27 25 56. Metro: Chatelet de la Goutte - Ecole

CANNES

HOLY TRINITY, no du Canada (behind the Casino), 1020 every Sunday. Tel: 04 93 84 54 61. Captain: Rev. Barley

THE EPISCOPAL CHURCHES OF EUROPE (Anglican)

PARIS

THE AMERICAN CATHEDRAL OF THE HOLY TRINITY, Sat: 9 & 11 a.m. in Chinese & English. Sunday: 8:30 a.m., 10 a.m. George V, 8000 Paris. Tel: 01 53 23 84 07. Metro George V or Alma Marceau

CLERMONT-FD (FRANCE)

CHRIST CHURCH (ROYAT) 1st & 3rd Sun. 9 a.m. avr. Dr Jean-Hatz, Temple Religions, 33 04 73 31 59 58

FLORENCE

ST. JAMES' CHURCH, Sat 9 & 11 a.m.; in Italian. Via B. Rucellai 9, 50122 Florence, Italy. Tel: 055 294 41 47

ROME

ST. PAUL'S WITHIN THE WALLS, Sun, Easter 8:30 & 10:30 a.m., Easter in Spanish 1 p.m. Via Napoleone 58, 00187 Rome. Tel: 06 533 0339 or 474 3669

KARLSRUHE (GERMANY)

ANGLICAN EPISCOPAL COMMUNITY 1st & 3rd Sunday 5 p.m. in chapel of Lichtenberg 24, Tel: 071 49 72 21 23 79 or 49 49 72 43 15 93

BRUCKMUEHL (GERMANY)

ANGLICAN-EPISCOPAL COMMUNITY, meets in Rev. Lutheran Kirche 10, Bruckmuehl 2, 93032 Regensburg. Tel: 09 61 802 6415

MUNICH

CHURCH OF THE ASCENSION, Sun, Easter 9 & 11 a.m. in English. School/Synagogue, Sankt Stephanstrasse 4, 8053 Munich (Haidhausen). Tel: 089 520 00 00

WIESBADEN

ST. AUGUSTINE OF CANTERBURY Sun. 10 a.m. Frankfurter Str. 3, 65189 Wiesbaden. Tel: 061 81 03 0074

GENEVA

EMMANUEL CHURCH 1st & 3rd Sun 10 a.m. Easter: 2nd & 4th Sun Morning Prayer, 3 rue de Montbouy, 1201 Geneva. Tel: 02 26 73 87 00

FRANKFURT

INTERNATIONAL CHRISTIAN FELLOWSHIP, Ev.-Frödelische Gemeinde, Sodenstr. 11-18, 63150 Bad Homburg. Sunday Worship, Nursery & SS: 11:30 a.m. 400-seat church, Pastor M. Leyen. Cell/Fax: 06173 42728

BRUSSELS/WATERLOO

ALL SAINTS' CHURCH Sat: 11:15 a.m. (Sun School), 1st Sun. 9:30 a.m., 553 Chemin de Louron, Chene 0, 1011 Waterloo 1410 Waterloo. Tel: 02 384 3558

DARMSTADT (GERMANY)

ANGLICAN EPISCOPAL CHURCH, 2nd & 4th Sun, 4 p.m. in Christuskirche, Darmstadt-Eberstadt. Tel: 061 51 140 9794

NICE - FRANCE

SPORTS

Win One for the Clippers**Victory Over Kings Snaps 17-Game Slide**

The Associated Press

With the Los Angeles Clippers on the verge of achieving NBA infamy, Zenon Wright attempted the impossible—getting every rebound.

He gave it an awfully good shot, and his effort played a key role as the Clippers won for the first time in nearly 11 months.

Wright had a career-high 25 rebounds to go with 12 points, and Darrick Martin

NBA ROUNDUP

had 18 points and 11 assists Thursday night as the Clippers beat the visiting Sacramento Kings, 106-92, to snap their season-opening 17-game losing streak.

"That's called being tired of losing, man," Wright replied when asked what got him into it. "My mind frame was I was going to try and make a difference by getting every rebound. That's what I was trying to do."

Wright, whose previous career high was 22 rebounds, was limited to 27 minutes due to foul trouble, just eight in the second half. But he led his team to a 58-35 rebounding advantage.

If they had lost, the Clippers would have opened the season with 18 straight losses—the most in NBA history. Instead, they share the record with the 1988-89 Miami Heat team.

Heat 83, Raptors 73 In Miami, Tim Hardaway scored 8 of his 10 points in the third quarter, sparking a 15-0 run that propelled the Heat.

Alonzo Mourning scored 20 of his 23 points in the first half and pulled down 16 rebounds. Clarence Weatherspoon added a season-high 22 points for Miami.

SCOREBOARD

BASEBALL

EXHIBITION BASEBALL

NATIONAL LEAGUE			
Boston 3, Tampa 2			
Baltimore 4, New York 2			
Atlanta 3, Cleveland 3			
Kansas City 3, St. Louis 2			
Philadelphia & Detroit 3			
Pittsburgh 4, Tampa Bay 2			
Chicago 3, Cincinnati 2			
Arizona 7, Chicago Cubs 2			
San Diego 4, Florida 3			
Los Angeles 4, Los Angeles 3			
Montreal 3, Atlanta 2			
Pittsburgh 5, Tampa Bay 8			
New York Yankees 5, Texas 0			

BASKETBALL

NBA STANDINGS

NATIONAL CONFERENCE				
ATLANTA DIVISION				
W	L	Pct.	GB	
15	5	.750	0	
Orlando	12	7	.625	3
New York	11	8	.550	4
Philadelphia	11	8	.550	4
Washington	8	11	.400	7
Boston	7	10	.412	8
New Jersey	3	15	.167	11

GENERAL CONFERENCE

WESTERN CONFERENCE

PACIFIC DIVISION

NATIONAL CONFERENCE

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DAVE BARRY

Want to Feel My Pain?

MIAMI — We live in troubled and uncertain times, but I am feeling good — about myself, about my homeland, about all the nations of the earth, and, yes, about the future of humanity. And I will tell you why: I am on painkillers.

I got them from my doctor, Curt. Curt is a great doctor, probably the greatest doctor who ever lived, and I will tell you why: He gave me these painkillers. These are some STRONG painkillers. You should see the side effects! I started to read about them on the information sheet, but I got only as far as the part where it said I should report to the doctor's office if my... I don't know how to say this in a family newspaper... O.K., I'm just going to come right out and tell you: I'm supposed to report to the doctor's office if my outputs turn black.

Now I believe in following medical advice up to a point, and that point is the point where you're being advised to call a medical office and tell the person who answers the phone — often a complete stranger — about the color of your outputs. Because you don't know what that person will do with the information. For all you know, the person will hang on the phone and shout across the doctor's office waiting room — which for all you know is occupied by your important business associates and several members of the British Royal Family — "Dr. Hamburg, Dave Barry called in say that his outputs are black. He didn't say why he was monitoring the color of his outputs, and frankly I didn't want to ask."

But aside from the side ef-

fects — and I am not saying I had any of these side effects — these painkillers are terrific. I can walk normally! For the past three days I've been walking like The Human Board, because I did something in my back. Actually, I didn't do it: a large Haitian man did it.

The way this came about was, my friend Philip said he wanted to see some soccer. Philip grew up in England, where as a youth he went to many soccer matches. He told me that English soccer fans are VERY intense and sometimes express their disapproval by throwing darts from the stands. "One time," he said cheerfully, "I got one stuck in my shoulder."

Nevertheless, Philip wanted to see a match, so we went to the Copa Latina, a soccer tournament in Hialeah, a city next to Miami that has a proud democratic tradition of re-electing political leaders no matter how many times they have been indicted. The match we saw was between a team called Soccer Locker, representing a local store, and one called Selection Haiti, representing Haiti. Philip and I sat in the stands with, I would conservatively estimate, every Haitian person on earth.

It was an exciting match, and not just because we thought the stands, which appeared to be made of aluminum foil, were going to collapse. What made it exciting was the Haitians, who are, without question, the greatest sports fans I have ever seen,

and I will tell you why: They gave me these painkillers.

No, wait, I'm getting confused (which is another side effect). The Haitian fans are great because they are so enthusiastic: They react to EVERYTHING that happens on the field, including photosyn-

thesis, by cheering, booing, shouting, chanting, dancing, singing and making cellular phone calls. Many fans do all these things simultaneously. Philip and I got so caught up in the spirit that we started cheering also. We do not speak Haitian Creole, so we invented cheers based on our recollection of high-school French, including such rousers as:

"Voici la plume de ma tante!" (Here is the pen of my aunt); "Montrez-moi le livre!" (Show me the book!); "Nos rendements sont noirs!" (Our outputs are black!)

No, we did not really yell that last one. But we did, by cheering for the Haitian team, become close personal friends with the large, enthusiastic and very muscular man in front of us, often exchanging painful "high five" style hand slaps with him. And when the match went into overtime, and the Haitian team won, and the crowd went insane, and the grandstands were wobbling like Jell-O on a jackhammer, the large man turned around and decided to express his joy by picking both Philip and me up, Philip, using the quickness he developed by dodging darts as a lad, managed to escape, but I never even realized what was happening until the large man got his arms around my knee and hoisted me high into the air, and I found myself being waved back and forth above the crowd like a human pennant.

That was when I hurt my back. But now, thanks to Curt, I'm feeling really, really good, and if I have any of these painkillers left over, I'm going to send them to factions in the Middle East and wherever it is they're having those troubles involving the "Kurds." Because you cannot feel hostile with these painkillers. I love the Kurds! I love you, too. Time for a nap.

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